BOMBAY MUNICIPALITY.

ADMINISTRATION REPORT

OF

MUNICIPAL CHIEF AUDITOR

FOR THE YEAR

1943-44.

MUNICIPAL PRINTING PRESS, BOMBAY.

MUNICIPAL CHIEF AUDITOR'S REPORT.

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Bombay, 5th October 1944.

FROM

R. C. MEHTA, Esq. F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

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To

THE MUNICIPAL SECRETARY,

BOMBAY.

Sir,

In compliance with the provisions of Section 137 (3) of the Bombay Municipal Act, I have the honour to forward herewith my report on the accounts of the Bombay Corporation for the year 1943-44 for submission to the Standing Committee and the Corporation.

This year, the audit report has been delayed by about two weeks due to the Annual Accounts for the year under report having been submitted late for audit by about one month by the Chief Accountant. It is, therefore, requested that this may be treated as an urgent matter.

I have the honour to be,

Sir,

Your most obedient servant,

R. C. MEHTA,

Municipal Chief Auditor.

Report of the Municipal Chief Auditor on the Accounts of the Municipal Corporation for the City of Bombay for the Year 1943-44.

Prefatory Remarks.

In compliance with the provisions of Section 137(3) of the Bombay Municipal Amendment Act (Bombay Act No. II of 1938), the Municipal Chief Auditor submits herewith to the Standing Committee and the Corporation his audit report upon the Municipal Accounts for the year ending 31st March 1944, that is to say upon the accounts of the income and expenditure of the Corporation including those of the Improvement Schemes and the Schools Committee, their Capital Accounts, Accounts of the Sinking and Special Funds, Debts, Deposits and Advances and the Liabilities and Assets of the Corporation as deduced from balances recorded in their books.

The Municipal Chief Auditor and his assistant and his staff have kept themselves busy continuously throughout the year test-auditing the accounts of the Corporation and the result has been embodied in this report.

This Audit report is divided into two parts (1) Report on the Municipal Accounts (Schedule I) and (2) Report on the Schools Committee's Accounts (Schedule II). Schedule I, Division A summarises in brief the several kinds of accounts maintained, describes the system of accounting in general followed by the Departments concerned and concludes with a brief statement of the method and nature of the audit test applied to the various sections of the accounts together with the Municipal Chief Auditor's general remarks on the result of that audit. Schedule I, Division B, contains statements of receipts and payments and the balances of Revenue and Capital accounts indicating the final position of the Revenue, Capital, Sinking and Special Funds of the Municipal Accounts (Proper), Improvement Schemes Accounts, Advances and Investments, loans contracted and cash and securities on account of various funds. Appendices A and B are attached to Schedule I showing the charges met from the Municipal Commissioner's discretional contingencies and balances of stores. Schedule II contains a detailed report on the Schools Committee's Funds and Accounts.

The Municipal Chief Auditor's general remarks on the result of the Audit of the Accounts may shortly be recapitulated as under:—

MUNICIPAL ACCOUNTS.

Expenditure.

With reference to the internal control of the Accounts from the Head Office over expenditure in respect of sanctions, grants, observance of rules and regulations for payments made etc., it will be seen from the summary of objections raised during the year, as given in the body of the main Audit Report, that in a majority of cases the Accounts Department has simply forwarded for the information of the Municipal Chief Auditor

the explanations given by the departments concerned, apparently without much scrutiny. From the explanations and information given in certain cases, it also appears that the departments concerned try to justify the action taken by offering arguments instead of adopting the reasonable suggestions made by Audit in the interests of economy and clear accounting. It is accordingly suggested that the control of the Accounts Department over incurrence of expenditure, adjustment of accounts and watching of budget grants in the departments should be more searching and strict, though not inconsiderate.

Budget and Accounts.

The Revenue Budget originally sanctioned was for Rs. 388.31 lakhs for Municipal Accounts and Rs. 103.02 lakhs for Improvement Schemes Account. The transfers and additions, made in the Budget during the year were to the extent of Rs. 34.88 lakhs both in the Municipal and Improvement Schemes Accounts, there being 467 items of transfers and 108 items of additional grants. A number of these transfers and additions which practically alter all sanctioned allotments in the original Budget relate to Establishment Grants also. These transfers of establishment grants are mainly due to the lax practice of omitting all charges for leave allowances, whilst calculating the Budget provisions, which presupposes supplementing of grants by transfers and additions during the course of the year. This practice does not lead to economy. Moreover, budget is a prospective chart of anticipated income and expenditure not to be lightly trifled with later on at the sweet will of the departments concerned who are bound to carry it out in all its possible details. It was accordingly suggested in the annual audit reports for the years 1941-42 and 1942-43 that every effort should be made to preassess as far as possible all such expenditure at the time of framing the original budget. In reply to this the Chief Accountant has drawn my attention to the Corporation Resolution No. 939, dated the 27th February 1936, which adopted the opinion of the Commissioner that it was not practicable to give effect to the proposal. I have gone through the report of the Commissioner underlying that Resolution but with deference I may state that the framing of an accurate budget beforehand is a *sine-qua-non* in all organised and well managed institutions. Moreover, all figures therein are to be based upon as accurate *estimates* as possible, it being not necessary to forecast beforehand the exact number and nature of the acting appointments that may have to be made during the next budget year. These estimates can be based on expenditures on similar items incurred in the foregoing years. Government Departments make provisions for leave reserves and acting appointments based on a certain fixed percentage of the total strength of the establishment. Similar provision is being made by us also in the Schools Committee's establishment of teachers. Moreover, such a practice will help the Municipality in determining whether it is better to fix a leave reserve on the scales adopted by Government or to continue the practice of making a lump sum provision for leave arrangements in future in the interests of economy and efficiency.

(2) Another suggestion made in the last annual report was that the Departments should not be allowed to spend in excess of the figures shown by them in the *revised* estimates without special permission of the Commissioner. The reason for this suggestion is obvious. Although the original budget is framed about six months before the beginning of the next budget year, the revised budget is prepared on the basis of actuals of the first eight months of the year and it is accordingly bound to be more accurate and therefore it should not be allowed to be varied without the special sanction of the Commissioner who would in that case be in a position to know the justification of the propsed variation. The Chief Accountant's reasons for laxity in this direction may be stated in his own words which are as follows :—

> "The figures of actuals for 8 months, *i.e.*, upto the end of November are made available by this office about the 10th of December to the departments concerned who send the revised estimates duly completed generally between the 18th and 23rd of that month. Due to the limited time at the disposal of the Departments for submission of the figures, *the statements are not prepared with due scrutiny and in a number of cases the estimates for 4 months is arrived at by calculating the difference between the budget grants and the actuals for 8 months inspite of warning not to do so contained in the circular for preparing the Revised Estimates. It is also not possible for this office to examine the figures in sufficient details for want of time.******"

This in my opinion is not satisfactory.

(3) Section 140(*o*) of the City of Bombay Municipal Act read with Section 169 lays down the necessity of the Municipal Water Tax and Halalkhore Tax being as far as possible commensurate with the actual expenditures incurred by the Municipality on those items. During the year under report the Committee of the Mill Owners' Association protested against the proposed increase in water rate for water supplied to Cotton, Dyeing, Bleaching and other Mills on this ground urging that the Corporation could not make a profit out of it (their letter, dated the 11th January 1944, underlying Corporation Resolution No. 916, dated the 28th January 1944). And one of the Corporators Mr. M. I. M. Rowjee filed two suits against the Municipality in the High Court challenging the validity of the levy of water and halalkhore taxes for the years 1941-42, 1942-43 and 1943-44 on the ground that the levy was in excess of requirements. And the Commissioner has also received a notice from the Income Tax Authorities to pay income tax on the excess or profits realised by the Corporation in respect of the water supplied to the Suburban areas which are outside the jurisdiction of the Bombay Municipality at a rate higher than the cost incurred on such supply as inome arising from trade or activity taxable under Section 4(3)(*iii*) of the Indian Income Tax Act.

It is accordingly necessary to keep separate and clear accounts as to the income and expenditure of these services in order to be able to clearly understand how far the taxes levied on these counts are commensurate with the expenditures incurred and to see whether there has been any appreciable profit out of these taxes.

In this connection reference is invited to my report for keeping proper accounts of the Workshops, by distributing overhead charges on the jobs carried out for such services, which is still pending consideration by the Sub-Committee of the Standing Committee.

(4) The present system of keeping Municipal Accounts was designed years ago though some formal changes were made in it from time to time. Since then the finances of the Municipality have considerably expanded and the accounts have become more complicated. And with the advance of times, the method of Public Account keeping has also undergone a considerable change. It is, therefore, necessary that the present system of accounts-keeping be overhauled and brought upto the present day requirements.

In this connection the Chief Accountant in his memo dated 3-7-1944, in reply to similar observations made in my last report, points out the several resolutions of the Corporation on the report of Mr. Bird on the Accounting reforms and reorganisation and the Commissioner's letter, No. A.E. 697 of 19-6-1941, under-

lying the Law, Revenue and General Purposes Committee Resolution No. 41, dated the 7th July 1941, and states that the question has received due consideration in the past. I may, however, repeat that with advancing times, the system requires a corresponding change and that though it is not possible to give in the short space of an audit report detailed instructions as to the improved method of keeping accounts, which in my opinion should be adopted, I may point out that the following were the main suggestions made by Mr. Bird (which have been referred to in the Commissioner's aforesaid letter), which in my opinion are worth adoption with some modifications.

They are:—

(1) That the keeping of all primary books, registers and ledgers both of income and expenditure should be entrusted to accounts sections in the several spending departments;

(2) That these departmental accounts sections should be brought under the control of the Chief Accountant for technical matters of accounts but should be under the orders of the departmental officers for pay and discipline;

(3) That for this purpose employees working in the Accounts Department should be transferred to various departmental offices and merged in their respective accounts sections; and

(4) That the existing departmental accounts clerks in the different departments should either be retrenched or redistributed or transferred to other branches.

The Corporation under their Resolution No. 644, dated th 30th September 1940, enquired of the Commissioner as to what steps he proposed to take to carry out these suggestions. The Commissioner, however, reported in his aforesaid letter that an experiment was made for keeping the accounts of the Chief Accountant's Department with the help of machines instead of by clerical labour and that that experiment had failed.

This was an experiment to save clerical labour for keeping accounts by mechanical devices but my suggestion is not to introduce mechanical devices to save clerical labour. It is to improve the present method of keeping accounts. But in my opinion, apart from making any fundamental changes in the present method of keeping accounts at once a beginning may be made by keeping accounts in the respective spending departments and putting them under the control of the Chief Accountant as suggested above so as to avoid the duplication of accounts and consequent delay in work.

There is nothing to show in the Commissioner's report that the keeping of accounts in the spending departments by the Accounts Sections working under the control of the Chief Accountant in those departments was ever tried. In the circumstances the matter requires to be carefully looked into again in the interests of economy, simplification and expeditious disposal of the multifarious transactions that are daily growing in volume and in complexity.

(5) Moreover, in order to have a proper, clear and scientific accounting for such a vast concern like the Bombay Municipal Corporation, there ought to be proper rules and regulations and hence the want of an Accounts Code or Manual in this Municipality appears to me also a great handicap in the enforcement of uniformity in procedure and apportionment of faults, as the departments are left to justify their irregularities by reference to plausible arguments irrespective of the strict accounting methods. Therefore, the preparation of an Accounts Code is an urgent necessity.

In reply to my similar observations in the last year's report in this connection too the Chief Accountant referred me to the Commissioner's report, No A.E. 4224-C.S.R., dated the 10th December 1940, which was adopted by the Law, Revenue and General Purposes Committee Resolution No. 221, dated the 9th January 1941. The Commissioner in his aforesaid report, on the notice of motion from Mr. B. N. Maheshwari adopted under Corporation Resolution No. 639, dated the 26th September 1940, stated that as there are certain publications in the Municipality such as Manual of Office Orders and Circulars, Engineering Code, Municipal Service Regulations, Pension and Provident Fund Regulations, Stores and Stores Audit Manual, etc., which served the purpose, there was no immediate necessity for framing a consolidated Accounts and Audit Manual, and added that as the work of compiling such a Manual would involve a large expenditure by way of engaging a special officer with an adequate staff under him, the question should be dropped for the present.

It may be observed that the publications stated by the Commissioner are no substitutes for an Accounts and Audit Manual. Even the Government Departments have their circulars, standing orders, P.W.D. Manual, C. S. Regulations, etc., etc., but so far as the accounting procedure and the principles are concerned they are enforced in an uniform manner through what is known as Accounts Code. As regards cost, certainly, it is not going to run into several lakhs and in any case having regard to its importance this question does not deserve to be shelved.

(6) In order to have a proper check and control over the accounts of cash, stores, and materials and to facilitate tracing of responsibility in cases of defaults the Commissioner was requested four years ago to fix the duties and responsibilities of the various classes of Municipal Officers and servants of all the Departments in respect of these matters and he has given orders accordingly to the departments concerned to fix the duties and submit to him statements thereof. However, the Municipal Chief Auditor has not yet received any such statement.

(7) While examining the Sinking Fund accumulations in respect of Improvement Schemes Account Loans as on 31st March 1941 it was found that theoretical accumulations in respect of certain loans were short of the amounts required for repayment on their maturity. The Commissioner who was referred to in the matter has since obtained sanction of the Standing Committee and the Corporation for necessary adjustments to set the matter right (*vide* Corporation Resolution No. 1012, dated the 7th February 1944).

Incidentally it was suggested to the Commissioner that it was desirable to approach Government with a proposal for early repayment of the outstanding balance (which was Rs. 247 lakhs on 31-3-1943) in respect of the advance of Rs. 476 lakhs taken from Government by the late Improvement Trust by issue of 4½ per cent. debentures of the equivalent amount to them as security. The interest payable to Government on the different portions of this advance ranges from 4¾ per cent to 5½ per cent., per annum and the amount of the advance is being repaid by annual instalments fixed up to 31st March 1956. It was, therefore, recommended to the Commissioner that negotiations may be started to repay the loans and if the Government agreed to receive the balance of the advance in a lump sum the savings to the Improvements Account during the years between 1943-44 to 1955-56 would be approximately 12½ lakhs being the difference in interest on the outstanding balances of the advance at the stipulated rates with Government and the rate of 4½ per cent., enfaced on the debentures. The saving would be still more if for financing the repayment the Corporation would be able to float a loan at a rate lower than 4½ per cent., *i.e.*, say 3 or 3½ per cent., taking advantage of the present money market.

The Commissioner, however, stated in his letter to the Standing Committee No. M.C.A. 2238, dated the 4th January 1944, underlying the aforesaid resolution that the Government would not agree to entertain a proposal for any modified arrangement which is not likely to be advantageous to them particularly when earlier repayment of Government advance is not contemplated under the terms of the agreement; and if Government were really in need of money a request would be made by them to the Municipal Corporation to make arrangement for earlier repayment of the outstanding amount. That is true. However, if Government agrees to receive the outstanding balance at once, it appears to me worthwhile requesting it to do so.

LIABILITIES AND ASSETS.

The following are the extracts from the audit report for 1942-43:—

"The property and assets under Loan funds as shown at the origial cost in Appendix No. 8 are being replaced from time to time or disposed of as surplus Municipal land for which credit goes to Revenue at present but they are shown at the original cost plus the new cost without deducting the values for those assets which have been scrapped or disposed of and are no longer in existence.

In the Schedule of assets also are included donations or grants-in-aid given to institutions not belonging to the Municipality and therefore, it cannot be said that the Municipality is holding assets to this extent. If such items are to be shown in the Balance Sheet at all, they should be shown under a separate head.

In this connection I may mention that after years of insistence by the Corporation for preparation of an inventory of the assets belonging to the Corporation, an interim report showing the number of properties and their estimated present value was submitted by the Commissioner to the Corporation last year (Corporation Resolution No. 68, dated the 13th April 1942). The inventory is incomplete in so far as it does not give properties outside the City and the sources from which they were purchased, constructed or acquired.

The desirability of showing these matters in a proper form and at the proper valuations so as to represent a true position of affairs in the Balance Sheet was pointed out in my previous report. Necessary steps should be taken to remedy these defects at an early date."

The Chief Accountant explains as under:—

"The treatment of Assets in the accounts of local authorities is not similar to that of the commercial undertakings. In the latter case the assets are acquired for the purpose of profit while in the case of local authorities assets such as Roads, Drains, etc., are created with the idea of rendering service to the citizens of the locality. The accounts of the local authorities fall under Double Account System of Accounts and all Capital expenditure is shown in the Capital Account whether or not such expenditure continues to be represented by assets. Loss on capital account occasioned by the abandonment of assets which can no longer be profitably used or by depreciation of assets which are not required to be renewed need not in strict theory be provided for. It, therefore, follows that the Capital Expenditure shown in Appendix No. 8 need not be modified and should be allowed to continue as at present."

Although it is well known that the accounts of the Municipality are not exactly on a par with those of commercial undertakings nevertheless their accounts and Balance Sheets should not represent a position which is materially different from the actual. The Municipal properties were valued in the year 1883-84, at a figure of about Rs. 65 lakhs of which the properties of the value of Rs. 19,62,164-4-1 only were on the books and those for Rs. 45,37,835-11-11 were unbooked and that position continues to be shown in the balance sheets for the last 60 years. All additional expenditure incurred thereafter has also been added to this account and carried forward to this date irrespective of the existence or otherwise of the assets. The block account under Loan Funds shows Rs. 26,14,12,007 on 31st March 1944. The position, therefore, requires to be properly reviewed to bring the figures on the Balance Sheet approximately to the existing state of affairs and utility. An interim report on the re-valuation of the properties in hand with the Municipal Departments has been submitted to the Corporation (*vide* Corporation Resolution No. 68, dated the 13th April 1942) and completion of this valuation at an early date is essential. The Corporation has also called for a report on the financial results of the Municipal and Ex-Trust Development Schemes under Corporation Resolution No. 497, dated the 8th September 1942, and a special staff has been sanctioned for that purpose in the Estate Agent and Land Manager's Department and the Chief Accountant's Department. In order to enable to make concrete suggestions for modifications in the Balance Sheet so as to bring it approximately in line with the existing position, the Departments may be called upon to complete the work in hand and to submit the reports early to the Corporation.

Income.

It has already been pointed out in the previous reports, that with regard to the revenues of the Corporation inter-departmental control was not found satisfactory; that the co-ordination of the departmental accounts and of the accounts kept by the Chief Accountant was found wanting; and that there was no internal check of the Accounts Department over the departmental accounts and with a view to have adequate control and safeguard against possible omissions and irregularities in the accounts of such a vast organisation as the Bombay Municipal Corporation, the forms of registers of the Miscellaneous Departments were revised from 1st April 1939, on the basis of demand, collection and arrears for each source of income, to be tallied and reconciled with the figures of collection shown in the Chief Accountant's books at the end of each quarter by means of quarterly returns. The staff of the Chief Accountant was also strengthened for the internal verification of the departmental demand registers.

In this connection it may be observed that the departments were found rather slack, in the first instance, to adapt themselves to the new system of balancing and closing of departmental books and of certifying the accounts quarterly by means of returns in view of their age long practice of merely writing in the books whatever money was received and of sending it off to the Chief Accountant without having to get the accounts examined further excepting the counterfoils of the receipts and the cash book which were being checked by the Test Audit Officer's staff.

The Commissioner with his usual quickness in action has always taken up the matter promptly with the Departments on receipt of audit requisitions sent to him from time to time, and has made them to fall in line with the new order by means of circulars and warnings to the staff and by waiving the submission of quarterly returns for the past years of some of the departments which were badly behind time. The position of the returns for the year 1943-44 mentioned elsewhere in the report shows some improvement but most of the departments are still found in arrears for a quarter or two while no reurn has yet been received from the Market Department.

In the circumstances the accounts of the Miscellaneous Revenue shown in Appendix 3 of the Chief Accountant's Accounts lack the requirement of yearly reconciliation with the demand registers of the departments as on 31st March 1944.

It is hoped that the departments in collaboration with the Chief Accountant will see their way to make up for the past arrears of writing and of checking the registers and will arrange to submit all returns to audit not later than six weeks after the close of each quarter.

(2) As regards the Assessment Department, long delay occurring in taking legal action in respect of taxes left unrecovered after service of demand notices or execution of warrants has proved a sort of encouragement to the habitual defaulters who do not take serious notice of the Municipal demand, knowing well the present Municipal practice which takes years before a suit is filed and who accordingly adopt a variety of delaying tactics. To end this state of affairs, it is suggested that a time limit should be set, after the service of notices or of execution of warrants, after which the bills left unrecovered should be taken out of the hands of the bill collectors and put into the hands of the Legal Assistant for demanding payments, so that even if the Court action were required to be taken for non-payment afterwards, the case may not get complicated by the properties changing hands or for any other reason. Acting on the Audit criticism made during the previous years in this respect the staff of the Legal Assistant's Department has been strengthened for conducting cases of Rates and Taxes and it is hoped that early effect will be given to these suggestions.

The figures of collections in the Assessment bill books as reconciled by the Chief Accountant with his books are not received by Audit and accordingly the figures of receipts from taxes shown in Appendix No. 3 of the Chief Accountant's accounts lack the requirement of yearly reconciliation with the demand registers (Bill Books) of the department as on 31st March 1944.

In this connection in his letter No. M.C.A. 2513/IV, dated the 13th May 1942, the Commissioner explained that it was not possible to carry out the yearly reconciliation without the help of additional staff and that the additional expenditure involved would not be commensurate with the corresponding advantage and the Standing Committee and the Corporation have accordingly recorded this explanation of the Commissioner (*vide* Corporation Resolution No. 878, dated the 13th January 1944).

With very great deference, as a qualified auditor I am constrained to observe that without yearly reconciliation no auditor can agree to allow the accounts to remain open and unreconciled at the end of the year on which alone the accuracy of the year's working can be tested and on which rests the safety of non-interference in future with the accounts in such a vast organisation as the Bombay Municipal Corporation.

(3) In the case of the Estate Agent's Department, regular month to month recoveries of rents, watching of vacancies and quick action in filing suits, execution of decrees, etc., are the main points to be looked into for proper collection of revenue. As will be seen from the past reports, Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by issue of audit notes; *i.e.*, pointing out delays in taking timely action against defaulters in the initial stages for the large amounts of arrears against some individual tenants in respect of vacated tenancies. These arrears of vacated tenancies do not yet seem to receive as much attention of the departmental staff as they ought to, although some control has been brought over the current cases. The Deputy Municipal Commissioner (Improvements) has also been strenuously pressing the Departmental Officers and staff by circulars, instructions and warnings, wherever necessary, to attend to and avoid recurrence of the cases pointed out by Audit and as a result some improvement has been noticed in that respect.

The reconciliation of figures of collections as shown in the Demand Registers of the Estate Agent's Department with those of the Chief Accountant's registers for the year ending 1943-44 has not been received duly verified by the Chief Accountant and therefore the figures shown in Apendix No. 23 of the Chief Accountant's abstract of accounts also lack the requirements of reconciliation and agreement with the revenue registers of the Estate Agent.

(4) Since the year 1938-39 the Chief Accountant and the Municipal Departments have not submitted to the Municipal Chief Auditor reconciled annual accounts of the demand, collection and arrears and hence Audit has not been able to verify their accuracy.

(5) Arrears of Rates and Taxes.—The gross demand and outstandings in respect of the property taxes and tax on vehicles and animals were Rs. 357.44 lakhs and Rs. 28.35 lakhs. The percentages of gross outstandings to the demands being 7.33 and 19.83 respectively. As stated in my report No. M.C.A. 1510-IV, dated the 19th November 1940, on the books of the Assessment Department for the yar 1939-40, the Assessor and Collector has worked out the figures of demand at Rs. 258.00 lakhs and outstanding at Rs. 7.78 from private parties (excluding mills), showing the percentage of outstandings to demand at 3.02. The frugure of outstandings of Rs. 7.78 lakhs does not include sums of Rs. 1.50 lakhs and Rs. 87 lakhs involved in suits filed and to be filed and the claims payable by the Court Receiver and the Official Assignee and Rs. 10.50 lakhs for amended bills issued in March 1944.

(6) Arrears of Rent.—The percentages of arrears to demand in respect of permanent and temporary lettings of *ex*-Trust properties were 9.34 and 27.12, respectively. The write-off in connection with the temporary revenue was Rs. .21 lakhs against the gross demand of Rs. 29.71 lakhs.

Permanent Revenue.—The necessity of reducing the arrears of some of the tenants who were found accumulating rents for three quarters and over was referred to the Deputy Municipal Commissioner (Improvements) and due to his efforts the amount of arrears which was Rs. 5.58 on 31-3-1941, Rs. 5.44 on 31-3-1942 and Rs. 4.26 on 31-3-1943 has been reduced to Rs. 3.36 during the year under report.

Temporary Revenue.—Vigorous efforts are still needed to reduce the past accumulated arrears by execution of decrees whenever they are obtained by tracing out the parties in arrears, who in some instances, as reported by Audit, were companies and firms. Similarly in order to check future arrears, early action is needed in filing suits for ejectment of and recovery of arrears from the parties who generally heap up the arrears before action is taken and then become untraceable.

SCHOOLS COMMITTEE'S ACCOUNTS.

(1) The irregularities in the Committee's accounts are of the following kinds :—

(1) Clerical errors of omission and commission.

(2) Technical breaches of rules and regulations.

(3) Measures involving waste or non-observance of propriety in expenditure.

Due to the persistent efforts made by Audit by issue of audit notes and instructions and occasional reports made to the Standing Committee, the irregularities of the nature described in items 1 and 2 are being brought under some control but the third one which affects economy in expenditure or prevention of waste needs greater care and control. There are instances of premature increments upto maxima of the grades given to some members of the staff and of irregular grant of allowances.

(2) The budget of the Schools Committee is also not being prepared and presented in the manner to facilitate control over details of expenditure like salaries, allowances and such other items according to the usual budget methods. It is also not on the standard adopted and followed by all other sister departments. Suggestions for the standardisation of the budget and preparation of the Establishment Schedule on the lines adopted by the Commissioner have already been made in my previous reports to which an early attention is requested.

(3) *New Recurring and Non-recurring Commitments.*—Several measures adopted or continued by the Schools Committee during the year, such as Promotion rules whereby unearned increments are allowed to the teachers in different grades for helping them to reach the maximum on the basis of 20 years' service, abolition of percentage cuts applied to the grants given to private institutions, continuance of training classes on a large scale, treatment of teachers under training as on duty for the purpose of pay, grant of trained teachers' grades to all the permanent teachers under the Schools Committee and virtual suspension of the 60 per cent. basis during the year as a special case, may no doubt be considered to be measures for improvement of the educational system in the city to a higher ideal state but these commitments have cost a great additional recurring and non-recurring burden on the finances of the Corporation.

(4) *Scope of "Primary Education" and activities other than "Primary Education":*—During the year a question arose as regards the scope of Primary Education and whether the Schools Committee could be empowered by a Resolution of the Corporation to incur expenditure out of the fund put at their disposal for purposes other than "Primary Education". This question was referred to certain eminent counsels for opinion and Mr. Bhulabhai J. Desai's opinion that the scope of "Primary Education" was limited to certain primary vernacular standards and that for imparting education other than such "Primary Education," the Municipal Act contemplated a special committee, was adopted by the Corporation (Corporation Resolution No. 641, dated the 7th October 1943). Thereupon the Schools Committee referred to the Municipal Chief Auditor the question whether certain items of their activities were covered or not by the powers of the Schools Committee to spend money thereon. The Committee was advised to request the Corporation to obtain further legal opinion on those *specific* points and accordingly that question is still pending before the Schools Committee (Schools Committee Resolution No. 1001, dated the 14th December 1943).

This raised a questin of admitting the expenditure on those activities in audit for which a reference was made to the Standing Committee and the Corporation, who directed that the expenditure may be admitted in audit pending disposal by the Corporation of the report asked for by them from the Schools Committee (Corporation Resolution No. 1196, dated the 13th March 1944).

It seems to me, however, desirable to have a decisive ruling, at an early date, on the questions raised, so that the activities other than those of the "Primary Education" as construed by Mr. Bhulabhai J. Desai, may not be jeopardised but put on a legal basis and regularised.

Lastly, I may observe that the suggestions and observations in this audit report have been made by me in my own lights, fully realising the following remarks of the eminent Accountant and Auditor Mr. F. R. M. De Paula in his letter in the 'Accountant', dated the 31st October 1942:—

> "The profession, has no compelling powers, whatever its convictions may be, to enforce and carry them into effect, but it has opportunities of suggestions and persuasion which, the public may be assured, are exercised to the full. Generally speaking progressive directorates have not been slow to take advantage of the advice thus tendered. Nevertheless, the hard and inescapable fact is that, subject to the narrow limits of the statutory minima, the powers of an auditor in the matter of the presentation of accounts are persuasive only, and in case of boards which may be timid of innovation or overborne by the weight of tradition he is almost powerless. Under present conditions it is clearly incorrect to charge the profession with responsibility for admitted imperfections which are not of its own seeking."

This year there has been a delay of about two weeks in submitting this Audit Report to the Standing Committee. This delay is due to the annual accounts having been received for audit late by about one month from the Chief Accountant. As the audit report is required to be forwarded to the Corporation along with the Administration Report of the Commissioner it is necessary that the final accounts should be submitted by the Chief Accountant for audit at least by the end of July every year. It is trusted that necessary arrangement will be made from the next year to enable audit to forward the Audit Report to the Standing Committee in time for its inclusion in the Administration Report.

It may be observed that the staff allotted to this Department for test audit of the accounts of the Corporation in the Chief Accountant's Office, in the executive departments and in the office of the Schools Committee since its inception in the year 1938-39 is far less than the minimum required for carrying out percentage audit on the basis of established audit practice followed by audit departments of other public bodies like railways and the Government, as could be seen from my report on percentage audit underlying Corporation Resolution No. 373, dated the 5th August 1943. Besides, the volume of work has been steadily increasing since then as could be seen from the number of prooposals of the Commissioner for increases in the staff of the various departments including that of the Accounts Department sanctioned by the Standing Committee and the Corporation. Moreover, the qualified persons recruited in this Department from time to time find no attraction to stick to their posts on the present scales of pay with rare chances of promotions in future and are therefore found to join this Department merely as a stepping stone in service and leave it for better prospects in Government Departments or Commercial firms soon after. Fresh recruits are also difficult to obtain at present and therefore when the employees go on leave or resign, the different audit sections have to continue without substitutes. Due to all these reasons, the staff was very hard pressed throughout the year under report to cope with the work of checking the accounts of the various deparments. It has accordingly not been possible to bring the audit to the necessary percentage level reported in my letter No. M.C.A. 1517, dated the 25th November 1940, underlying the Corporation Resolution No. 373, dated the 5th August 1943.

In this connection attention is invited to my reports under No. M.C.A. 4160-I, dated the 10th February 1944 and the 23rd May 1944, for revising the scales of pay of the audit staff which is still under consideration of the Standing Committee (Standing Committee Resolution No. 292, dated the 2nd June 1944.)

Financial Position of the Corporation.

The position of the Revenue Accounts and the balances of the different accounts of the Municipal General Fund can be seen from the following brief summary of each of the several accounts (in which the figures given are in lakhs of rupees).

The actual income realised on Revenue Account (Municipal proper) was Rs. 403.99 as detailed in the margin against the Budget Estimate of Rs. 379.68, Revised Estimate of Rs. 387.46 and previous year's actuals Rs. 389.02. The realisation was thus better by Rs. 24.31 as compared with the original Budget Estimate and more by Rs. 14.97 as compared with the actuals of the previous year.

Actual revenue realised from the following important sources:—

	Rs.
1. General Tax ...	153.51
2. Water Tax ...	100.16
3. Halalkhore Tax ...	41.21
4. Fire Tax ...	6.73
5. Wheel Tax ...	16.47
6. Licences for trades, land conveyance and music ...	2.57
7. Town Duties ...	16.18
8. Return from property and miscellaneous ...	67.16
Total ...	403.99

Similarly, the actual expenditure charged to revenue was Rs. 390.96 as shown in details in the margin as against the Budget Estimate of Rs. 388.31 and previous year's actuals of Rs. 364·65. It thus resulted in excess of Rs. 2.65 over the budgeted amount and exceeded the previous year's actuals by Rs. 26.31. The year's working left a Surplus of Rs. 13.03 as against the budgeted deficit of Rs. 8.63.

Actual expenditure charged to Revenue under the following important heads :—

	Rs.
1. General Superintendence ...	5.61
2. Assessment and Collection ...	7.84
3. Fire Brigade ...	3.40
4. Public Works (Engineering) ...	63.24
5. Public Health ...	35.02
6. Plague Expenses ...	0.99
7. Education ...	47.58
8. Medical Relief ...	23.59
9. Public Gardens ...	1.95
10. General Stores ...	0.76
11. Pensions, Gratuities and Provident Fund ...	13.20
12. Contribution to Improvement Schemes ...	26.27
13. Miscellaneous ...	8.66
14. Debt ...	124.58
15. Measures for Civil Defence ...	3.82
16. Grain Compensation ...	24.45
Total ...	390.96

The Revenue Fund at the end of the year stood at Rs. 97.31 and after deducting the amounts used in the purchase of stores, plant and machinery and miscellaneous advances the free balance of Revenue Fund at the end of the year was Rs. 64.01. This balance at the beginning of the year was Rs. 45.86 and it stood at Rs. 64.01 at the close of the year showing an increase of Rs. 18.15. A reference to the statement of Assets and Liabilities of the Revenue Fund will show that the actual amount of cash and securities held in the Revenue Fund Account was Rs. 187.08 (inclusive of Rs. 75.46 of Depositors' Account).

The actual income in the Improvement Schemes Account amounted to Rs. 95.45 as detailed in the margin as against the Budget Estimate of Rs. 92.64, the Revised Estimate of Rs. 94.07 and the previous year's actuals of Rs. 87.28. The realisation was thus more by Rs. 2.81 as compared with the original Budget Estimate and by Rs. 8.17 as compared with the actuals of the previous year. The actual expenditure was Rs. 97.95 as shown in the margin as against Budget Estimate of Rs. 103.02, Revised Estimate of Rs. 101.71 and previous year's actuals of Rs. 103.48. It was thus less by Rs. 5.07 than the original estimate and by Rs. 5.53 than the actuals of the previous year. This left a deficit of Rs. 2.50 at the end of the year which was transferred to Capital Account. In addition there is a liability of Rs. 3.72 on account of outstanding charges.

Actual income of Improvement Schemes Account realised from the following main sources :—

	Rs.
1. Rent and other sources of properties ...	54.75
2. Contribution from Municipal Corporation ...	26.27
3. Receipts on account of tobacco duty ...	10.00
4. Interest and profits on investments ...	4.02
5. Miscellaneous Receipts ...	.41
Total ...	95.45

Total expenditure charged to Improvement Schemes General Account under the following important heads :—

		Rs.
A.—Maintenance of properties and Streets ...		18.46
B.—Cost of Management and Establishment ...	8.96	
C.—Proportionate cost on account of Municipal Supervision ...	0.88	
	9.84	
Less—Charged to General Account and Capital Account ...	9.84	
D.—Debt Charges		79.49
Total ...		97.95

The School Fund Account started with an opening balance of Rs. .20. The income amounted to Rs. 46.80 as detailed in the margin against which the actual expenditure booked during the year came to Rs. 46.80 leaving a balance of Rs. .20 on 31st March 1944. It might be mentioned here that the expenditure

Income—	Rs.
Contribution from Municipal General Fund ...	46.43
Fees ...	0.30
Interest on investments of Trust and other funds	0.06
Miscellaneous ...	0.01
Total ...	46.80

of Rs. 46.80 is exclusive of other payments made directly out of the Municipal General Fund on account of Debt Charges, New Works, Secretary's Office and Aided Institutions, and Medical Inspection. Adding this, the total expenditure on the Primary Education of the City works out to Rs. 49.54. Against this the amount of contribution received from Government during the year was Rs. 9.36.

Expenditure—		
Administration of Municipal Schools	...	44.57
Repairs to Municipal School Buildings	...	0.11
Grant-in-aid to Schools	...	2.12
Reading Rooms and Libraries	...	...
Total	...	46.80

The Capital Account (Municipal) started with an opening balance of Rs. 17.30. Additional funds made available during the year were Rs. 11.00 by raising new loans to the extent of Rs. 10.00 and by taking an advance of Rs. 1.00 from the Municipal Special Funds. The actual expenditure booked was Rs. 19.03 against the Revised Estimate of Rs. 40.45 leaving an unspent balance of Rs. 9.27. The actuals fell short of the Revised Estimates by 53 per cent. This shows a large disparity between the estimated and actual expenditure. This was mainly due to certain works having not been carried out to the extent estimated in the Budget.

Similarly, the Capital Account (Improvements) started with an opening balance of Rs. 83.43. Receipts during the year amounted to Rs. 42.12. Against this, the actual expenditure was Rs. 4.96 on schemes, Rs. .01 for repayment of loans and Rs. 2.50 for meeting the deficit in the General Account=Total Rs. 7.47. The balance left in the Capital Funds at the end of the year was thus Rs. 118.08.

The balances of the Special Funds (including Employees' Provident Fund) on 1st April 1943 were Rs. 348.57. Credits during the year amounted to Rs. 35.08. The debits booked during the year amounted to Rs. 15.41, leaving a total amount of Rs. 368.23 in the Funds out of which Rs. 304.64 were invested in cash and securities and Rs. 63.59 consisted of outstanding advances granted for Capital Works and other purposes mentioned in the report. Net accretions of the Special Funds during the year were Rs. 19.66.

The balances of the Sinking Funds, Municipal and Improvement Schemes Accounts, amounted to Rs. 332.84 and Rs. 330·20 respectively at the book value of securities.

There was a net decrease in the loan liabilities under the Municipal Account and the Improvements Account during the year by Rs. 53.86 and Rs. 5.08 respectively. Excluding the balances and liabilities of the Special Funds which have been shown in details in the body of the report and which are covered by recoverable advances and by liquid assets in the form of earmarked cash and securities, the gross liabilities of the Corporation for loans and advances for Capital Works amounted to Rs. 1,406.87 for Municipal Account (Proper) and Rs. 1,612.81 for Improvements Account, total Rs. 3,019.68. Against this, the Sinking Fund accumulations at the book value of securities amounted to Rs. 332.84 in the Municipal Account and Rs. 330·20 in the Improvements Account, total Rs. 663·04. The percentages of debt charges on total expenditure of the Municipal Account and the Improvement Schemes account are 31.86 and 81.14, respectively.

The total balances of all the funds forming part of the Municipal General Fund on 31st March 1944 held in Office Treasury, Banks and Public Securities amounted to Rs. 12,82,99,191—2—0.

It will be seen from the income and expenditure that the financial position of the Corporation for the year under review was quite sound. Inspite of the additional expenditure to the extent of Rs. 26.31 lakhs over that of the previous year the year's working left a satisfactory srurplus of Rs. 13.02 lakhs. However, this surplus is mainly due to the City's present war time industrial activities and may not be maintained after the return of peace.

MUNICIPAL OFFICES,
BOMBAY, *5th October 1944.*

R. C. MEHTA,
Municipal Chief Auditor.

SCHEDULE I.

Report on the Municipal Accounts including Improvement Schemes Account.

DIVISION A.

Explanatory.

Main divisions of Accounts :—

There are three main divisions of Municipal Accounts :—

I.—Municipal Accounts (Proper).
II.—Improvement Schemes Accounts.
III.—School Fund Accounts.

Accounts of the receipts and expenditure of the Corporation which are known as Municipal Accounts (Proper) may be sub-divided into :—

A.—Revenue Account.
A1.—Suspense Account.
B.—Capital Account.

Revenue Account deals with receipts from taxation and other sources of revenue and expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. Capital Account deals with expenditure met usually from borrowed funds, such expenditure being incurred with the object of carrying out permanent works for services to the City. Suspense Account comprises debts, deposits, advances, sinking and other special funds and their investments, etc., pending final adjustments or payments.

Accounts of all the property vested or vesting in the Corporation and of all receipts and expenditure of the Corporation on account of the Improvement Schemes, which have to be kept under a separate head in the Municipal Account under Section 123A of the Municipal Act are known as the Improvement Schemes Accounts, and they are divided into :—

(*i*) General Account.
(*ii*) Capital Account.

The General Account comprises receipts of rents from properties and other sources of revenue from Improvement Schemes, and expenditure therefrom, the net result of which represents the Revenue Surplus or Deficit for the year, such surplus or deficit being transferred to the Capital Account. Capital Account includes expenditure incurred in extending the Improvement Schemes and cost of making good revenue deficits, advancing loans, etc., under the Act.

The contributions made out of the Municipal Fund to the Schools Committee under Section 39 of the Municipal Act are debited under the head of Primary Education in the Municipal Revenue Accounts. But the Schools Committee keeps separate accounts of these receipts and of all other income, such as fees and other sources and of expenditure therefrom and they are known as the School Fund Accounts.

Sections and Heads of Accounts.

Within each of the above divisions the transactions are grouped into sections which are further sub-divided into certain sub-heads of accounts arranged and designated according to administrative convenience and services, as shown in the abstracts of Accounts of the Corporation published in the Bombay Government Gazette from week to week.

THE ACCOUNTING SYSTEM.

(*a*) GENERAL.

(*i*) *Transactions.*

The transactions of income, expenditure, deposits, advances, etc., originate in the executive departments concerned where primary records are maintained. The entries in the books of the Accounts Department are those of actual cash received and payments made. In addition to this the Accounts Department maintains primary records in connection with various funds and their investments and loan transactions. The investments of surplus Municipal Funds are made in public securities as defined in Section 3(0) of the Act or in deposits (fixed or current) with the local banks selected by the Standing Committee with the approval of the Corporation under Section 122 of the Act. With the exception of two loans contracted by the late City Improvement Trust the interest on which is paid through the agency of :—

(*a*) Hongkong and Shanghai Banking Corporation,

(*b*) The Chartered Bank of India, Australia and China, London,

the transactions of all other loans are looked after by the Imperial Bank of India who have been appointed agents of the Corporation and are entrusted with the work of payment of interest to Debenture Holders, renewal, consolidations and sub-divisions of debentures and repayment of loans on maturity, and they do this work subject to certain necessary checks by the Chief Accountant and his Department.

(*ii*) *Service Heads.*

The method of budgeting and keeping and presentation of accounts is arranged according to administrative functions which have been sub-divided into service heads, the income and expenditure relating to each such head being kept separate under that head.

(*iii*) *Receipts.*

Collection of Municipal dues from taxes, rents of buildings and lands, sale of rights, licence and other fees, etc., are made by the staff engaged in the different departments. These collections are to be remitted daily to the Municipal Treasury under a remittance slip signed by the Heads of Departments. Sometimes, payment of dues is made by the parties at the Chief Accountant's Office direct. These amounts are taken on the Main Accounts (in the Main Ledgers) through the Day Books and in the subsidiary registers under each Minor Budget Head. The dues are collected by the different departments from numerous small sources of income. In addition to this certain amounts due from Government for tax on public conveyances, deposits from the contractors, etc., are received direct in the Chief Accountant's Office. The collection of Town Duties by the two Railways and the Bombay Port Trust and interest on securities collected by the Bank are credited direct into the Bank Account with the Imperial Bank of India and the Accounts Department takes them to their accounts on receipt of bank slips.

(iv) *Payments.*

All bills of establishments, contingencies, works, supplies, etc., received from the departments are checked in the Accounts Department mainly in respect of sanctions, arithmetical accuracy, rates, proper certifications by Heads of Departments and Budget grants and are then passed for payment. Bills for Rs. 100 or less are paid in cash and the rest are paid by means of cheques drawn on the Imperial Bank of India. To cover cash payments, cheques of amounts not exceeding Rs. 1,000 are drawn on the Imperial Bank of India in favour of the Chief Accountant. As already stated payment of interest of Municipal and Trust Debentures is made through the Imperial Bank of India and in case of two loans of the the Trust through Hongkong and Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, London.

(b) *Daily Accounting.*

The day-to-day transactions of receipts, payments and adjustments are introduced into the main accounts through Day Books. In case of expenditure, prior to passing bills for payment, they are entered in the subsidiary books, *i.e.*, tabulations and registers of works recording the progress of expenditure against each minor head of Budget Grants. In case of income, similar arrangement exists for entering all income in the subsidiary registers against the Budget Head of Income recording progress of collections after Day Books are written up. As regards miscellaneous advances, deposits, etc., similar subsidiary registers are maintained for individual accounts, the receipts and payments whereunder are posted up subsequently from Day Books.

(c) *Weekly Accounts.*

The progressive weekly receipts and expenditure as recorded in the main accounts are taken on the weekly abstract which is published in the Bombay Government Gazette from week to week under the signature of the Municipal Chief Auditor and two members of the Standing Committee (*vide* Section 135(1)).

(d) *Annual Accounts.*

The receipts and expenditure progressing from week to week ultimately appear under various appendices in the Chief Accountant's Annual Report.

(e) *Nature of Audit Check Applied.*

Accordingly in conformity with the above system the accounts of receipts and payments have been test-examined from day to day by comparing the vouchers, etc., with the corresponding entries in the Day Books and the weekly abstracts specified in this report in the Chief Accountant's Office. The weekly progressive balances of the audited accounts which in turn are based on the daily accounts are duly and punctually published in the Bombay Government Gazette every week. The balances of cash and Government securities belonging to or deposited with the Corporation are verified by an examination of Bank Pass Books, safe custody receipts, deposit receipts, and the cash and Government Promissory Notes in the Chief Accountant's Office. The balances of the assets and liabilities in the Balance sheets are checked with the current year's adjustments to the last year's closing balances. Any irregularities observed in the course of audit are brought to notice and got rectified.

General Remarks on the Result of Audit.

Municipal Accounts.

Expenditure.

The transactions covered by Audit (test) were in respect of Revenue Accounts of several departments and Expenditure Account of the Chief Accountant's Department. The internal control of the Accounts Department over the expenditure accounts was found fairly satisfactory. Errors and omissions noticed during audit were pointed out and got rectified. As regards the watching of recoveries and adjustments under the head 'Advances', a separate report is being submitted as usual.

Some of the typical errors and ommissions noticed during the year under report are summarised as under:—

(1) *Advance payments made to Solicitors, Government and other Local Bodies pending receipt of detailed accounts.*

M.C.A.4169/I / 16-2-1944.

Inspection of the objection books maintained in the Chief Accountant's Office for recording payments made to the, Legal Assistant, Municipal Solicitors, Government and other local bodies pending receipt of the detailed accounts from them showed that in 68 cases pertaining to the period prior to 31-3-1942 and involving a sum of Rs. 1,13,006-10-11 no detailed accounts were received. A reference has been made to the Chief Accountant to clear the advances to which a reply is awaited.

(2) Excess or wrong payments and errors and omissions.

(*a*) The following cases of excess or wrong payments and omissions and of recoveries or short remittances were noticed of which recoveries were made at the instance of audit :—

Serial No.	Case number and date.	Amount. Rs. a. p.	Particulars.
1	M.C.A. 3623/I of 4-5-1943	... 18 0 0	Special pay for Auxuliary Fire Service drawn by the Assistant Officer Commanding Fire Services during leave from 22-9-1942 to 30-9-1942.
2	M.C.A. 3767/I of 13-7-1943	... 2 2 0	Payment of wages to a peon in the Chief Accountant's Office for 2 days when he was on Leave without pay.
3	M.C.A. 3948/I of 7-10-1943	... 0 10 0	Excess payment of grain compensation to a sweeper woman at Victoria Gardens in June 1943.
4	M.C.A. 4002/I of 11-11-1943	... 10 3 0	Conveyance allowance paid to a temporary sub-overseer, Drainage Branch, during the period of leave.
5	M.C.A. 4054/I of 13-12-1943	... 10 0 0	Payment of grain compensation allowance for March 1943 to the Engineer at A. C. Market Refrigerator to which he was not entitled.
6	M.C.A. 4042/I of 6-12-1943	... 9 8 0	Excess payment of grain compensation allowance to an Inspector Hydraulic Engineer's Department for January 1943.
7	M.C.A. 4087/I of 3-1-1944	... 13 6 0	Difference between the actual salary drawn and the average pay admissible to a junior sister while on leave during September 1943.
8	M.C.A. 3785/I of 21-7-1943	... 3 6 0	Excess payment of leave salary to a clerk in Municipal Secretary's Office.
9	M.C.A. 4067/I of 18-12-1943	... 0 8 0	Excess payment of grain compensation allowance to a Mistry in Water Works Department in August 1943 paybill.
10	M.C.A. 3779/I of 20-7-1943	... 24 4 0	Interest on Provident Fund claim not admissible to an employee in temporary service in the K. E. M. Hospital.

(*b*) The following are the cases in which errors and omissions were brought to the notice of the Departments and got rectified or instructions were issued for future guidance :—

Serial No.	Case number and date.	Particulars.
1	M.C.A. 3608/I of 28-4-1943 M.C.A. 3599/I of 22-4-1943 M.C.A. 3619/I of 4-5-1943 M.C.A. 4191/I of 24-2-1944	Amounts not allocated to proper budget grants.
2	M.C.A. 3963/I of 19-10-1943	Amount charged to current year's grant instead of against renewed grant.
3	M.C.A. 3563/I of 6-4-1943	4 Posts of temporary watchmen created by the Municipal Commissioner to guard the reclaimed ground at Deonar from 1-4-1942 were not shown in the monthly statements submitted to the Standing Committee for sanction for 8 months from July 1942 to February 1943.
4	M.C.A. 3802/I of 29-7-1943	A pension bill for Rs. 188-10-0 taken in the summary of such bills for Rs. 60 only omitting the deduction of Rs. 34-8-0 and Rs. 94-2-0.
5	M.C.A. 3857/I of 26-8-1943	Refund memo not certified by the Head of the Department passed for payment by the Chief Accountant's Office.
6	M.C.A. 3858/I of 26-8-1943	Amount proposed for refund by the Department wrongly adjusted to Municipal revenue by the Chief Accountant's Office.
7	M.C.A. 3812/I of 3-8-1943 M.C.A. 3718/I of 25-6-1943 M.C.A. 3934/I of 30-9-1943 M.C.A. 3933/I of 30-9-1943 M.C.A. 3938/I of 4-10-1943 M.C.A. 4004/I of 11-12-1943 M.C.A. 4017/I of 24-11-1943	Excess deductions on account of provident fund subscriptions made from the salaries of Municipal employees.
8	M.C.A. 3799/I of 29-7-1943	Compensating errors in the interest columns of the summary of provident fund accounts for 1942-43.
9	M.C.A. 3983/I of 25-10-1943 M.C.A. 4007/I of 18-11-1943	Variations in the quantities of medicines supplied as shown in the bills and in the indents accompanying the bills.
10	M.C.A. 4139/I of 27-1-1944	Note of refund from the subscriptions to the fidelity guarantee fund not taken in the register to guard against the claim being passed a second time.
11	M.C.A. 4132/I of 24-1-1944	Certificate of receipt of supply not obtained by the Chief Accountant, while admitting the details of the expenditure for the amounts advanced to the Superintendent of Vaccination.
12	M.C.A. 4170/I of 16-2-1944	Bills not countersigned by the Heads of Departments for which the works were carried out.

(3) *Rules, Procedure, etc.*

M.C.A.3528/V
15-3-1943.

Irregular operation of Budget Grants:—It was pointed out in the ast year's Audit Report that the estimates of repairs and other minor works for roads, etc., costing less than Rs. 500 were not being sent to the Chief Accountant for noting and therefore he was not aware of the liabilities incurred against each grant during the year and his control over the incurrence of expenditure so as to restrict it to the available balances of grants was ineffective though he could restrict the actual booking of expenditure within the Budget Grant, after the liabilities were incurred and bills came for payment. The notes taken for these items in the City Engineer's Office were also incomplete and therefore it was not possible for that Department too, to ascertain outstanding liabilities at any particular time.

The defect being pointed out to the City Engineer, steps have been taken to see that the notes of expenditure were taken as a rule in each case before passing on the bills for adjustment to the Chief Accountant so as to ascertain at any time the exact liabilities against the Budget Grants. The City Engineer also states that all such cases will be sent to the Chief Accountant for his information in future.

M.C.A.3735/I
30-6-1943.

A sum of Rs. 3,048-8-0 was found paid by debit to Revenue Grant under Law Charges during 1941-42. Next year necessary provision was made under Loans Funds and the amount was transferred thereto. This practice of debiting a grant where funds exist for want of provision under appropriate head in the expectation of the grants being sanctioned later on, is against the budgetary principles. The Chief Accountant was accordingly advised to avoid it in future. However, during 1943-44 it was noticed that the expenditure incurred in connection with the work of improving the corner at the Wodehouse Road junction with Kittredge Road amounting to Rs. 364-14-0 was in the first instance debited to the Revenue Grant for repairs and maintenance of roads and subsequently adjusted to the correct budget head under loan works after the necessary grant was got sanctioned. (The Chief Accountant's Voucher No. 74284 of 31-3-1944, J.E. VI). It is hoped that the Chief Accountant will issue strict instructions to the staff to check this practice.

M.C.A.3588/I
3-12-1943.

The work of widening the bridge at Love Grove was sanctioned to be crarried out at a cost of Rs. 3,55,592 and the expenditure booked thereagainst upto 31-3-1940 was Rs. 3,14,840. In 1940-41 no budget provision was made but further charges for Rs. 944 were booked and met out of the provision made in the revised estimates of that year. In a similar way a sum of Rs. 5,793 was spent during 1941-42. Further expenditure of Rs. 1,015 and Rs. 2,110 was also found booked during 1942-43 and 1943-44, respectively. The City Engineer's reply to audit query showed that small items of works not provided in the original estimates are being taken up from time to time and carried out from the savings shown in the estimates. The practice of utilising the savings in the sanctioned estimates in the manner indicated above and of allowing the works to linger on for years after their virtual completion according to the original estimates is undesirable, both from the point of view of control according to the sanctioned estimates and of prevention of waste in respect of supervision and such other charges.

M.C.A.3742/I
5-7-1943.

A sum of Rs. 19,839 was found spent by debit to advances during 1942-43 for providing guard rails at important junctions in the City at the instance of Government and was recouped from them during 1943-44.

On an audit query as to why no deposit was recovered from Government before spending funds from advances, the City Engineer explained that the work was for traffic ameneties for the public and the Commissioner of Police had agreed to make payment of bills out of the allotments sanctioned by the Government. It may be observed that in cases where exception to the rule is made and money is spent out of the advances without cover in the deposit account for works on behalf of Government or public bodies, prior sanction of the Corporation is necessary.

M.C.A.4235/I
27-3-1944.

Charges for the replacement of electric bulbs of the street lamps by the Electric Company during the period from January to March 1943 were found debited to the grant for the year 1943-44. The Chief Accountant's reply to audit query is awaited.

M.C.A.3528/V
15-3-1943.

Allocation of charges between Revenue and Capital:—It was pointed out last year that the cost of constructing carriage entrances borne in whole or in part by the Municipality is being charged to Revenue in Budget 'B' from the year 1940-41, which according to the provisions of the Act in this behalf is not in order. It was also pointed out that the transfer of such expenditure from Capital to Revenue in the Budget without previous approval of the Standing Committee and the Corporation by itself, is no authority to over-ride the statutory provisions.

The Municipal Commissioner in his memo, dated the 25th May 1944, explains that it would have been desirable if the change was specifically brought to the notice of the Corporation and their sanction obtained but since the Budgets have been sanctioned by that body the matter need not be persued further.

M.C.A.4168/I
12-2-1944,
&
M.C.A.12/I
8-4-1944.

In compliance with the Corporation Resolution No. 466, dated the 26th August 1943, Mr. Modak, the City Engineer, attended the session of the Road Congress at Gwalior in October 1943, when, at the request of the Gwalior Government he examined the schemes prepared by the State Engineers for the improvement of water supply and drainage for the City of Ujjan and submitted his report to that Government after visiting Ujjan.

Similarly, at the request of the Tata Chemicals, Ltd., Bombay, Mr. Modak, was authorised to visit the Company's works at Mithapur and advise them on the sanitary arrangements needed for the town without detriment to Municipal work. (Works Committee Resolution No. 167, dated the 14th September 1943 confirmed under Corporation Resolution No. 716, dated the 25th November 1943).

While applying for these permissions the Commissioner stated that similar permission was granted to Mr. H. J. Trivess Smith, Hydraulic Engineer, under Corporation Resolution No. 2124, dated the 4th July 1912

Sanction under Rule 47 of the Municipal Service Regulations has also been accorded by the Corporation to Mr. Modak being allowed to accept an honorarium of Rs. 1,000 and Rs. 1,500 for the above works paid by the Gwalior Government and the Tata Chemicals respectively.

Section 72(2)(*b*) of the Municipal Act provides that each of the Officers appointed under Section 74(1), (*i.e.*, the City Engineer, the Executive Health Officer and the Hydraulic Engineer) *shall devote his whole time and attention* to the duties of his office. Exception to this principle has been made subsequently in case of the Executive Health Officer by Section 74(3)(*ee*) which runs as under:—

> "(*ee*) the executive health officer may accept for such period as may be sanctioed by the Corporation any appointment, whether honorary or otherwise, which has for its object the promotion of public health, whether by means of education or otherwise, and which in the opinion of the Corporation would not interfere with his duties as executive health officer."

It may be observed that, in spite of the precedent of 1912 quoted by the Commissioner, in view of the fact that the exception made in the case of the officer under Section 74(3)(*ee*) is not extended to other officers, it is desirable to ascertain if the practice is legally permissible. The papers in that connection though called for in April 1944, have not been received upto the time of writing this rport inspite of two reminders.

M.C.A.3635/I
7-5-1943.

The staff of the Municipal Fire Brigade falling under Class III as defined in Rule 148 of the Municipal Service Regulations is entitled to leave on full pay while on sick leave. For leave other than sick leave, this staff is governed by ordinary leave rules. The ordinary leave rules have been revised and the revised rules are applicable to 'new entrants', *i.e.*, those who entered service on or after 16-7-1931. It has, however, been observed that the Chief Accountant has been certifying leave other than sick leave to the new entrants of this class according to the old leave rules. The Chief Accountant being questioned argued to say that it was not the intention of the Standing Committee and the Corporation to reduce the benefits granted to this class of employees under the old rules when the rules were revised. There is nothing to show the intentions but under the rules as they stand the practice followed by the Chief Accountant is not in order. The matter has been again referred to him and the reply is awaited.

M.C.A.3779/I
20-7-1943.

An employee in temporary service in the K. E. M. Hospital was granted leave without pay for 1 year and 11 months and 15 days as against the maximum period of 3 months admissible to him under Rule 11(2) of the Revised Leave Rules. He resigned on the expiry of this leave. Audit objection was raised as to his being treated as in Municipal Service for more than 3 months of the leave without pay and to his being paid interest on the Provident Fund balance after that period. As a result, the excess leave was cancelled and Rs. 24-4-0 on account of excess interest allowed were reduced from his provident fund claim.

M.C.A.4151/I
3-2-1944.

"Leave not due" was certified by the Chief Accountant and granted by the City Engineer to an employee on full pay instead of on half-pay. It appears that the mistake having been detected, the whole amount of salary which remained unpaid as the employee did not turn up to receive it on the pay day was credited back to the grant. To an audit enquiry the Chief Accountant explained that the City Engineer modified the leave into leave without pay as the condition that the employee would return to duty and earn the advance leave was not likely to be fulfilled in that case. In contrast to this explanation the Chief Accountant's reply in another case of the Hydraulic Engineer's Department where audit suggested that recovery should be made from an employee who was granted leave not due in advance and resigned and left the service, was to the effect that the Municipal Service Regulations do not contemplate recovery when the leave was once granted.

The Chief Accountant may see the desirability of following uniform practice.

M.C.A.3667/I
20-5-1943.

A clerk on probation in the Licence Department died before completion of the probationery period. Municipal contribution to his provident fund was, however, granted to him on the ground that (as explained by the Chief Accountant) although the employee was not confirmed at the time of his death, the Licence Superintendent who was the confirming authority, was also the sanctioning authority for grant of Municipal contribution to the provident Fund. In contrast to this no Municipal contribution has been given to the heirs of the late Dean Dr. Padshah of the G. S. M. College who died while on probation on the ground that the appointing and the confirming authority was the Corporation and Dr. Padahsh was on probation at the time of his death.

Strange interpretations indeed !

M.C.A.3756/I
8-7-1943.

An employee of the Conservancy department was found charged at full pay instead of at average pay although he was on leave from 20-3-1943. The Head Supervisor explained that it was customary for his office to charge the employees, allowed to proceed on leave in anticipation of sanctions, at full pay and to recover the excess from the unpaid wages refund certificates.

The practice of charging the employees on leave at a full-pay before ascertaining the pay admissible to them, in the hope of making recoveries of excess, if any, subsequently, is not correct.

M.C.A.3974/1
22-10-1943.

It was reported last year that a watchman was found to have been granted 4½ months' leave in excess of the limits laid down under the rules applicable to him. The reply received showed that the records maintained for the inferior staff were not proper and the excess leave was granted to him inadvertantly.

M.C.A.4095/I
6-1-1944.

It was noticed in some cases that the persons incapacitated for further service by the Municipal Medical Examiner were served by the Hydraulic Engineer's Department with 3 months' notice before their services were terminated. Retention of labour staff in Municipal service after 55 years of age was subject to their being physically fit and no notice is therefore necessary to terminate their services after receipt of the Municipal Medical Examiner's certificate. To an audit query the Hydraulic Engineer explained that notices were served inadvertantly.

M.C.A.3800/I
29-7-1943.

In the unpaid wages refund certificate in respect of food rationing work the amounts payable to several employees were more than one and in respect of each such amount one anna revenue stamp was recovered from them by the Health Department. The stamp required for the total payment under various items made to one employee under the same voucher is anna one only. The recovery made by the Department in respect of each item was therefore in excess by Rs. 5-7-0. This excess was neither remitted to the Municipal Treasury nor refunded to the employees concerned but remained in the cash box of the office for over two months. On an audit enquiry the Department refunded the amounts to the employees concerned and explained that the clerk took time to collect the information regarding the employees entitled to refund, etc., and that he was fined Rs. 5 and warned against a recurrence of such incidents in future.

M.C.A.4055/I
13-12-1943.
&
M.C.A.4058/I
14-12-1943.

A refund of Rs. 632-13-0 to the Controller of Supplies, Government of India, on account of refund of town duty on extra bags exported out of the consignment received, as also the two refunds of Rs. 166-4-0 and Rs. 254-0-0 on account of incorrect declarations of weights in the export notes, were allowed by the Municipal Commissioner, although, they were inadmissible under the provisions of the Municipal Act and the Town Duty Refund Rules made thereunder. The Commissioner on behing requested to state authority under which the breaches of the provisions of the Municipal Act and the rules could be waived or condoned by him, necessary sanction of the Standing Committee was obtained. (Standing Committee Resolution No. 220 of 19-5-1944).

M.C.A.4218/I
6-3-1944.

While scrutinising a provident fund claim of a cooly in the Road Department it was found that he was often absent from duty and there was no mention of total leave without pay enjoyed by him and that no rent for an additional room occupied by him was recovered from him. The claim is returned with audit query to which reply is awaited.

(4) *Internal check.*

E.H.1587/S.R.
30-11-1939.
&
A.E.675
31-7-1941.

As stated in the last audit report, approved list of the duties of the officers and other staff in connection with the handling of cash, stores and accounts in the Chief Accountant's and other Municipal departments, essential for the purpose of fixing responsibility on the persons concerned in case of default, ordered by the Municipal Commissioner to be prepared some four years back has not so far been received by Audit.

M.C.A.4199/I
24-2-1944.

Reply has not so far been received to the query made on 24-2-1944 as to whether there was any loss of petrol due to excess issue per gallon on account of defect in the gauge of the pump.

M.C.A.3618/I
3-5-1943.

On persual of papers of a suit filed in the High Court for recovery of taxes, a sum of Rs. 1,342-6-0 recoverable from certain parties as per High Court orders was found left unrecovered.

The Assessor and Collector has been requested to effect recoveries thereof and to state how such demands were recorded in the books of his office to ensure against omissions of recoveries.

Reply is awaited.

M.C.A.3624/I
28-5-1943.

Twnety two advance payments amounting to Rs. 16,074-7-0 made to the Controller of Stores for purchase of materials from the market from December 1942 to May 1943 were found unaccounted for till 28-5-1943 in the Chief Accountant's books. It is not desirable to allow such long period to pass for submission of detailed accounts for the purchases made in cash. The matter was referred to the Department through the Municipal Commissioner and the needful was done.

M.C.A.3810/I
31-7-1943.

From the register of moneys sent with letters during the year 1942-43, 21 cases of moneys sent were found without receipts from the parties although a long time had elapsed after payments were made. A reference was made to the Chief Accountant and the needful was got done. However, there remained two cases where moneys were sent by demand drafts to a foreign country. The Chief Accountant explained that efforts were made to get receipts but due to war situation further communications were not received despite reminders.

M.C.A.3907/I
22-9-1943.

As reported last year, the Chief Accountant had agreed to get the pay-masters account tallied at the close of the year by taking out detailed outstandings of unpaid wages deposits. The instructions were, however, not found carried out while closing the accounts on 31-3-1943. On a reference, the Chief Accountant explained that the outstandings on account of unpaid wages as on 31-3-1943 could not be taken out in the register owing to abnormal increase in the outstanding items due to the differences of dearness allowance paid at different times and that the suggestion would be given effect to in 1943-44. This has been duly done.

On a test check of indents and gate passes with the stock ledgers at the Ghatkopar Office of the Hydraulic Engineer's Department which was carried out on 3-3-1944 it was noticed that one C. I. Branch Pipe was shown as issued under indent No. 361 on 3-12-1943 in the line suspense stock ledger while actually it was not issued. The Hydraulic Engineer explained that an indent was placed for the C. I. Branch as the same was required for work at Sion and a remark 'issued' was made in the line suspense ledger taking the same on general stock ledger. As the work was, however, held up for want of materials the branch could not be used and no gate pass could be made. Such a mistake can be avoided if the entries in the ledgers are made only after the gate passes are issued. Moreover the remark 'issued' made in the ledger was not correct. It should have been 'the item transferred to general stock ledger'.

M.C.A.4225/I
16-3-1944.

The Register of unclaimed dues and deposits credited to revenue maintained in the Chief Accountant's office were found incomplete in as much as certain amounts credited to Revenue during 1942-43 were found not recorded. The figures entered therein were not reconciled with the amounts credited to "unclaimed dues and deposits" during the year. As this register is to serve as a reliable record to verify the claims of refunds, if and when received, it was suggested that the Chief Accountant should see that each year the figures taken on the registers were totalled and reconciled with the total sum credited to revenue under attestation.

M.C.A.3798/I
23-7-1943.

He has since agreed to do so.

(5) *Imprest Accounts.*

The amount of petty cash advance with the various Municipal Departments as on 31st March 1944 was Rs. 20,856-9-6 which is the approximate sum spent through petty cash by the Departments each month and recouped from the Chief Accountant by preferring lump sum bills. Details of the charges are not shown in the bills but vouchers for Rs. 10 and above are attached thereto. The internal check of the Chief Accountant is lacking. However, in reply to the similar audit observations made last year in this matter the Chief Accountant stated that the Test Audit Officer did the work of checking the Imprest Accounts periodically himself.

(a) *Miscellaneous Departments.*

During the year, in 41 cases surprise test checks of the Imprest Accounts of various departments were made. The irregularities and defects noticed in the accounts were communicated to the departments through the Commissioner. Defects of common nature are summarised as under :—

(1) Payments made without sanctions.
(2) Payments made without obtaining proper discharges from the payees.
(3) Full and detailed particulars of travelling done not given in some conveyance bills.

With a view to effect economy in the use of paper the practice of submitting bills by Municipal employees for conveyance charges was discontinued by the departments under the orders of the Commissioner. In the circumstances the entries made in the contingent account book for payments are required to be properly attested by a responsible officer and signed by the persons receiving the payments. Audit scrutiny of these charges, therefore, mainly relates to see whether the charges are fair and reasonable; that they are properly sanctioned and that the payments are duly acknowledged by the payees in the register.

Some typical instances of irregularities noticed are given below :—

On actual count the cash in the Commissioner's Office was found in excess by annas two and pies nine. The Office was directed to pay it into the Treasury. This was complied with.

M.C.A.3959/V
18-10-1943.

The imprest account of the Legal Assistant's Office contained several items of conveyance charges for Legal Assistant himself and peons for taking papers home from office and back. Audit enquired of the circumstances under which these charges had to be incurred and paid out of imprest. Reply is awaited.

M.C.A.3971/V
22-10-1943.

In the imprest account of the Town Duty Office, a sum of annas four, which remained unpaid to a peon who forgot to sign and receive it when he attended office and could not come from Sion to Head Office till 11-1-1944 was taken on the expenditure side of the contingent register in the month of December 1943 and recouped in the monthly bill from the Chief Accountant. The amount ought to have been duly deleted from the account when it was closed and balanced on 31-12-1943.

M.C.A.4121/V
18-1-1944.

A checking Inspector in receipt of a conveyance allowance of Rs. 15 per month was found to have been paid train-fare from Sion to Kurla and back on two occasions. As a result of audit query the Deputy Commissioner has passed orders that in cases where actual fares are required to be given to employees sent on duty outside the City limits in addition to their monthly conveyance allowances special sanction of the Commissioner should be obtained. In this connection it may be observed that audit has come across a similar instance in the Water Works Department where also persons in receipt of monthly allowances are allowed to draw train-fares when sent on duty outside city limits. The question of applying these orders uniformly to all the departments requires consideration.

An amount of Rs. 15 paid out of the imprest of the Assistant Engineer, Maintenance, (Water Works) on 12-2-1944 for purchase of one steel bar, was not booked till 27-3-1944, and was treated only as a sub-advance. The voucher also did not bear sanction. From the reply received to audit query it appeared that the voucher could not be booked so long, in absence of proper sanction which was subsequently obtained.

M.C.A.4237/V
27-3-1944.

The imprest account of the Outside City Division of Water Works Department contained several items of train fares, for coming to and going back from the city, paid to the Assistant Engineer and the Mechanical Inspector, getting respectively Rs. 25 and Rs. 20 per month as conveyance allowance. In this connection it may be observed that these officers when on duty on the pipe line or on stations attached to the pipe line have got at their disposal the Municipal trolleys and for their occasional visits to the city they are paid actual train-fares from the contingent account. The question arises on what ground the monthly conveyance allowances can be paid to them from the Municipal Fund. Reply to the audit reference is awaited.

M.C.A.4239/V
27-3-1944.

Although a carpenter is borne on the Schedule of the Malaria Department a sum of Rs. 7 was advanced to the Conservancy Department by the Assistant Health Officer, Malaria, for repairing six chairs. Reply is awaited.

M.C.A.4113/V
17-1-1944.

M.C.A.4115/V — 17-1-1944.

Cash balance of the Assistant Health Officer, E Ward Office, was found in excess of annas three. This being referred to the Department the excess amount of annas three was remitted to the Treasury and the person concerned was warned to be careful in keeping imprest account by the Executive Health Officer.

M.C.A.4120/V — 18-1-1944.

In November 1943, six bags of charcoal were purchased locally at a total cost of Rs. 27-3-0 by the Medical Officer, Victoria Road Maternity Home, through imprest cash. Being a scheduled item the Department was asked to give reasons for such local purchases. It was explained by the Controller of Stores that the Medical Officer was requested by him to make purchases locally to avoid inconvenience as the indented material could not be supplied by him being out of stock then.

M.C.A.4136/V — 26-1-1944.

News-papers for patients were being purchased through the imprest cash at the Turner Sanatorium but the charge was debited to the contingent grant instead of to the Poor Box Charity Fund. Petty cash vouchers did not bear signature of the Matron who made payments. Needful was got done.

M.C.A.4236/V — 27-3-1944.

In the imprest account of the G. S. M. College there was a mistake of anna one in the revenue stamp account which resulted in excess of cash by anna one. This being referred to the Department the excess amount was remitted to the Municipal Treasury.

M.C.A.4052/V — 11-12-1943.

A peon of the Municipal Analyst's Office was paid tram-fare for going to the Mechanical Engineer's Office although he was provided with a residential season ticket from Marine Lines to Bombay Central. The question being referred to the Department, the Commissioner issued instructions that peons should use their railway passes except when it is absolutely necessary to travel by other means.

M.C.A.2349/I — 27-10-1941.

A reference was made in the last audit report in respect of a sum of Rs. 14 paid out of imprest money by the Welfare Organizer for repairs to a gramaphone instead of sending the bill to the Chief Accountant for payment in the year 1941-42. A reply has been received stating that the procedure to incur expenditure above Rs. 10 without the necessary sanction has since been discontinued.

M.C.A.4092/V — 5-1-1944.

On actual count cash of the sub-advance granted to the Time-Keeper from the imprest amount of the Mechanical Engineer was found short by annas eight. This was due to wrong totals of the conveyance charges register. To an audit reference the Mechanical Engineer explained that the shortage was partly due to the workmen not claiming their amounts in time till the beginning of the following month which resulted in incorrect totals; and that the necessary instructions have been given to the Time-Keeper.

M.C.A.4135/V — 21-1-1944.

An amount of annas six was found in excess in the imprest cash with the dispatch clerk of the Assistant Engineer's (Architectural Branch) Office. It was explained to be due to private money used by another clerk in absence of the permanent dispatch clerk for affixing stamps to certain urgent letters. The excess amount was restored to the person concerned.

M.C.A.3651/V — 12-5-1943.

In the Shops and Establishment Office of the Licence Department certain entries were not attested by the sanctioning authority in the contingent book. The head clerk of the office was unable to state definitely which of the items were paid. Two of the items were found discharged though not sanctioned. Explanation for the irregularity was called for and recorded.

M.C.A.4028/V — 30-11-1943.

In the contingent register of the Gardens Office an amount of Re. 1 sent on 24-9-1943 by post was not booked till 30-9-1943. Explanation was called for and recorded.

(b) *Chief Accountant's Department.*

M.C.A.4000/I — 10-11-1943.

Imprest Account of the Chief Accountant's Office was test examined on 6-11-1943 when it was noticed that the account for the month of October 1943 was not closed and balanced. Discharges were also found signed in the Register even before the payments were sanctioned. A certificate in the terms that the balance in hand was counted and found correct was not recorded by the officer responsible for accounting of the imprest money. The Chief Accountant explained that the imprest account was prepared twice a month and the half-monthly account ending 31-10-1943 was in the process of being closed on 6-11-1943 and that the proper procedure would be followed in future in keeping the account.

(c) *Assessor and Collector's Department.*

M.C.A.3617/IV — 1-5-1943.

As reported last year the Assessor & Collector and the Chief Accountant were requested to reconcile the account of the deposits with the Railway Company paid out of the imprest account, as the contingent account book showed Rs. 36 as deposits for season tickets whereas the Register of season tickets showed only 31 passes on that date. Besides this, a wrong procedure was being followed of crediting amounts of deposits received back from the Railway Company to the grant under "Contingencies". A reply was received during this year stating that such deposits as were credited to "Contingent Account" were recouped and that the account of the deposits was reconciled.

6. *Miscellaneous.*

M.C.A.1117/V — 14-5-1940. & M.C.A.1967/V — 30-4-1941.

It may be remarked that the realisations from fines imposed by the Courts for offences against provisions of Municipal Act was a source of Municipal revenue prior to 1-4-1939 by virtue of provisions of Section 111 of the Act. Since however, this provision has been dropped in the Government of India's (Adaptations of Indian Laws) Order 1937, legal title of the Corporation to this revenue has ceased and instead the Bombay Government have been paying grant-in-aid from 1-4-1939 on the basis of the realisations of fines paid into the Government Treasury after meeting all expenses in connection therewith. Thus the basis of these receipts is the same as formerly. However, formerly the respective departments of the Municipality used to maintain registers of the fines imposed by the Courts and to watch the recoveries outstanding thereagainst. These registers have been discontinued from the year 1939-40 presumably because the receipts are no more a source of revenue to which the Municipality is legally entitled and accordingly the Municipal Departments have no control what so ever over their recoveries and outstandings. In the circumstances, it is desirable if the Government are persuaded to send at least an annual statement of outstandings so as to enable the Municipality to find out the percentage of outstandings from year to year.

In this connection, a statement showing the recoveries of arrears of fines made by Government and paid into the Municipal Treasury and balance, if any, recoverable from Government in respect of the period prior to 1st April 1939, which was called for from the Chief Accountant has not so far been received.

M.C.A.3299/I — 23-12-1942. An audit note was sent to the Municipal Commissioner in respect of the anomalous position created by the grant of full grain compensation allowance to part-time workers, in as much as they were better treated than their colleagues who were working whole time in the Municipality and had no other jobs outside. The Commissioner ultimately agreed to its unfairness and has issued orders to grant full dearness allowance only to those part-time employees who have no employment outside and half dearness allowance to those part-time employees who have got employment outside.

M.C.A.3386/I — 1-2-1943. It was reported last year that due to the failure of certain departments to indent full quantity of their requirements for the year 1942-43 from the Stationery Contractors Messrs. Mansukhlal Sukhlal & Co., the Municipality could not get the advantage of 2½ per cent. commission offered by them. The Chief Accountant forwarded only the Hydraulic Engieer's reply who stated that full quantities could not be indented at a time for want of place. No other department has replied to the audit query.

M.C.A.3662/I — 19-5-1943. A sum of Rs. 40 was paid to the Dean for supplying a human articulated skeleton to the G. S. M. College, for teaching students. The payment was sanctioned by the Dean himself. It may be remarked that the practice of sanctioning expenditure by the sanctioning authorities for themselves is against the rule of financial propriety and instructions should be issued to avoid it in future. Rule 19 of the Municipal Servants' Conduct Rules should also be kept in mind. Reply to audit note is awaited.

M.C.A.3710/I — 23-6-1943. Advances to Municipal employees out of "Fines Fund" sanctioned to be paid under Corporation Resolution No. 15, dated the 9th April 1942 to enable them to send their families to their native places during the period of scare created by the conditions of war in 1942, were continued to be paid during 1943-44 although the necessity for the same had ceased due to improvement in war situation. A reference was made to the Commissioner who passed orders that no further payment of advances should be made.

M.C.A.3725/I — 28-6-1943. The quarters of the Officer Commanding Fire Services were shifted to a hired building for which the Municipality paid a monthly rent of Rs. 275. However, for calculating the average rate of income tax on the salary of the Officer the amount of rent for the free quarters was taken at Rs. 100 per month as before. To an audit query the Officer Commanding Fire Services replied that the change of quarters was a temporary one and was at the instance of Government and therfore no extra cost to the employee could be justified. Besides, the new quarters were not so spacious as the former. The Commissioner thereupon fixed Rs. 100 as the value of rent-free quarters for the purpose of income tax. I think in such cases the value of rent free quarters should be fixed at a figure not lower than 10 per cent of the salary of the occupant.

M.C.A.3969/I — 22-10-1943. Papers were called for in connection with the adjustment of a sum of Rs. 156-6-0 being the cost of Municipal articles lost on the salvage work at the collapsed building at Jamshedji Tata Road. They are not still received.

M.C.A.3976/I — 22-10-1943. Notes regarding disposal of some road rollers sold to the Government of India were not found taken in the Plant and Machinery Registers maintained in the Chief Accountant's Office. The Chief Accountant has been requested to account for the omission and to state what steps are being taken to keep a complete record, in his office, of machinery lying with the Departments but not shown in the Plant and Machinery Registers. Reply is awaited.

M.C.A.4071/I — 21-12-1943. On comparison of the statements of plant and machinery in charge of the various Municipal Departments as on 31-3-1942 with the plant and machinery registers in the Chief Accountant's Office it was noticed that—

(1) Remarks of the departments as to the existance or otherwise of the machinery were not taken on the Chief Accountant's registers. This has been done.

(2) Some of the machinery in charge of the City Engineer was stated to be unserviceable. It was therefore suggested that if the machinery was not required to be replaced the advance amount should be adjusted.

(3) Certain machinery incharge of the Hydraulic Engineer was certified to be in existence as on 31-3-1941 as per remarks in the Chief Accountant's books. In the statement for 31-3-1942, however, it was stated that the machinery was scrapped in 1939-40. Some machinery shown in the statement was also not on the Chief Accountant's books. Report of the Department together with the Test Audit Officer's verification remarks thereon are awaited.

(4) Some machinery shown in the statement against the Mechanical Engineer's Department was stated to be not in his charge by the Mechanical Engineer. Reply to the audit reference is awaited.

M.C.A.2989/I — 4-8-1942. Statements showing the plant and machinery with the different Municipal departments with the certificates of their existence and verification as on 31st March 1943 have not been received by Audit upto the end of August 1944 except in the case of the Departments of the Test Audit Officer (Printing) and the Town Duty Officer. It was reported by the Chief Accountant in his memorandum dated 3-7-1944 that the statements for the year 1942-43 from the city Engineer (Drainage), Executive Health Officer, the Head Supervisor and the Officer Commanding Fire Services were received by him and were under verification of the Test Audit Officer. They are, however, not yet received by Audit with the verification certificate of the Test Audit Officer. It is also not known whether the remaining departments have prepared the statements and sent them to the Chief Accountant.

M.C.A.4074/I — 23-12-1943. On comparing the statement of outstanding balances as on 31-3-1943 prepared by the Chief Accountant and returned verified by the City Engineer in respect of improvement of private streets with the individual accounts maintained in the City Engineer's Department it was noticed that in 4 cases the balances shown as outstanding in the City Engineer's registers did no agree with those shown in the Chief Accountant's books. Interest due and outstanding on 31-3-1943 was also not calculated and taken on the registers of the City Engineer's Department. As a result of audit reference the differences in the balances were set right and the Department promised to work out the interest due on 31-3-1944 and to complete the books.

On an examination of the registers of recoveries on account of the improvement of private streets on behalf of owners of the properties it was observed that in 4 cases recovery was not made since the year 1940-41. The City Engineer explained the delay as under:—

M.C.A.4076/I
27-12-1943.

In one case the balance of the claim together with the interest remained unrecovered since 11-10-1939 from which time the property had changed hands twice. The new owner disputed the claim and the correspondence ensued till April 1943. Notices under Section 495 have at last been served on the occupiers of the property. The results are watched. In another case the party has to pay two different claims, and the monthly instalments received from him are being credited to the bigger claim and the smaller claim therefore shews no recovery. In the remaining two cases the parties dispute the payments on the ground that the streets were not private. The City Engineer, however, contemplates taking action under Sections 494 and 498 if possible.

An excess of Rs. 95-9-0 was found with the paymaster in the Chief Accountant's office in the balance of the Provident Fund claims passed during April and May 1942 and was credited to the deposit account. The reason of the excess not being traced, after the accounts for the year were reconciled, the amount was passed for payment to the paymaster concerned. The Chief Accountant explained that his predecessor had passed the claim on the ground that the paymster had mixed up the balance of provident fund advances and unpaid wages and had suffered a loss of Rs. 500 in payment of salaries on another occasion. It may be observed that it is not correct to pay over such excess found in the balances to the employees concerned unless the reasons are properly traced and they are definitely proved to be their own money.

M.C.A.3900/I
20-9-1943.

A sum of Rs. 99 found in excess with the Paymaster and remitted to Treasury was explained by the Chief Accountant to be probably due to less payments made and received by somebody as reported last year. The amount is still lying in the Deposit Account.

M.C.A.3273/I
12-12-1942.

It was noticed that no rent was being recovered from Dr. R. P. Koppikar, who was appointed as a temporary Dean of the Seth G. S. M. College from 11th April 1943 for the quarters intended for the Dean nor he was exempted from the condition of occupying the quarters. On a reference from audit, sanction of the Standing Committee was obtained (Standing Committee Resolution No. 492, dated the 14th July 1943) to waive the condition for the period he was not in occupation of the quarters from 11th April to 30th June 1943

M.C.A.3721/I
28-6-1943.

Assessment Department.

This is the main revenue earning Department of the Corporation. Rules and regulations for the assessment and collection of revenue have been embodied in the Assessment Manual. Though some improvement is noticed in this department in the work of presentation of bills and serving of demand notices since the question of delay in recoveries was taken up by audit in the year 1938-39, yet there appears to be much scope for improvement, specially if the delay in taking subsequent legal action is avoided. In view of the additional staff given to the Legal Assistant's Department for the purpose (*vide* Corporation Resolution No. 1216 dated the 13th March 1944) it is hoped that the delay would be considerably minimised in future.

It is also hoped that the delay occuring in the Assessment Department in obtaining the Standing Committee's sanction for filing suits and forwarding them to the Legal Assistant after the failure of the parties to pay up the bills will also be strictly avoided so as to achieve expeditious working of the whole legal process in both the Departments of the Assessor and Collector and the Legal Assistant.

It may be repeated this year that in the cases of under-valuations of properties noticed by audit, there appears also to be a good scope of improvement in revenue if the valuations of properties in the City are subjected to a regular test check by some suitable responsible Municipal officer, having no connection with the department.

The number of bills left outstanding in respect of property tax and wheel tax as on 31st March 1944 was 21821 aggregating to Rs. 33,20,076-9-9 as against 16074 aggregating to Rs. 30,88,047-2-3 in the previous year. The outstanding of Rs. 33,20,076-9-9 is inclusive of the Urban Immoveable Property Taxes amounting to Rs. 7,71,210-3-6.

Filing of Suits.

As stated in my previous audit report the Assessor & Collector was asked to state the number of cases already sanctioned by the Standing Committee for filing suits and the number of cases in which suits were actually filed. From the Assessor & Collector's reply, dated 21-4-1941, it was known that though the Standing Committee's sanction was obtained to file suits in 27 cases for the years prior to 1939-40 and 33 and 55 cases for the years 1939-40 and 1940-41 respectively, only in two cases pertaining to 1939-40, suits were actually filed. The Assessor & Collector was, therefore, requested on 26-5-1941 to state the cause of delay in filing suits. No reply to that has so far been received. However, the Assessor & Collector while offering his remarks on 7-3-1944 on the observations on the subject made in the last year's audit report explained that the delay was due partly to the inadequacy of staff in the Legal Assistant's office and partly to the Law's proverbial delays and that he had till that time forwarded 94 cases for filing suits to the Legal Assistant in respect of the arrears upto 31-3-1941 and a further list of 100 cases in respect of the arrears upto 31-3-1943 was being prepared for being forwarded to the Standing Committee for sanction. The Assessor & Collector has, however, not given any explanation for the delay that was caused in his department before going to the Standing Committee for sanction for filing suits. This matter was mentioned particularly in my previous audit reports as it was noticed that generally the question of obtaining the Standing Committee's sanction for filing suits was not taken up by his department until the arrears had piled up for some years. It was, therefore, suggested by audit that instead of allowing undue long time to run, a time limit should be set up for the usual departmental actions for recovery, after which sanction of the Standing Committee should be obtained for filing suits for all the unpaid and unrecovered bills. It may be noted that during the audit of outstanding bills as on 31st March 1944, about 1,500 bills were found enfaced for part-payment of water or other taxes and some of them were enfaced for part-payments more than once. It seems that these part-payments are being made in order to secure postponement of legal action being taken by the Department. The Department might consider the advisability of taking legal action if the bills are not fully paid within a reasonable time, say, by the time the next half-yearly bills are due for payment.

M.C.A.1836/IV
1-4-1941
&
26-5-1941.

Reconciliation of Books.

As stated in my previous year's report, the Assessor & Collector and the Chief Accountant were requested to submit a statement of reconciled accounts of revenue as between the books of the two Departments. The matter was also reported to the Standing Committee (*vide* Standing Committee Resolutions Nos. 1428, dated the 2nd Jnanuary 1942 and 449, dated the 24th June 1942) explaining the ways and means of effecting such reconciliation and pointing out its importance

M.C.A.3681/IV
27-5-1943.

in vouchsafing the accuracy of the accounts of the Assessment and Collection Department. However, the Commissioner, on the advice of the departments concerned, reported to the Standing Committee that the trouble and the expenses involved in carrying out the annual reconciliation of accounts would not commensurate with the advantage gained.

The Commissioner's report do not show any attempts having been made by the departments to tally the accounts with the present registers by proper adjustment of columns and details before coming forward with the proposals for introduction of extra registers and engagement of extra staff. The Stading Committee has, however, endorsed the views of the Commissioner and recorded the report (*vide* Standing Committee Resolution No. 1521, dated the 27th December 1943 and Corporation Resolution No. 878, dated the 13th January 1944). In the circumstances, the accounts of rates and taxes presented to audit and to the Corporation have remained unbalanced and unreconciled as heretofore and therefore it is not possible for the Municipal Chief Auditor to verify the accuracy of the figures of collections as on the bill books of the Assessment Department and the books of the Accounts Deparment severally and interse. As accuracy of the year's working can only be tested on annual reconciliation of accounts on which also rests the safety of non-interference in future with the accounts, it is again urged that the matter of reconciliation should receive serious consideration by the Commissioner as well as by the Standing Committee and the Corporation.

Outstanding Bills.

Among the bills outstanding on 31st March 1944, 1,517 bills were found partly paid in respect of water tax, etc., as under :—

A Ward	...	89
B ,,	...	282
C ,,	...	301
D ,,	...	277
E ,,	...	255
F ,,	...	136
G ,,	...	177
Total	...	1,517

The part-payment of bills seems to be a favourite method with certain rate-payers to delay taking action to cut off water supply or to taking legal action provided in the Act for the recovery of taxes. Such postponements of legal action are found to result in piling up of the bills from year to year and when Court action is taken after some years, the matters get further complicated by transfer of properties, mortgages, insolvencies, etc., Assessor & Collector, in his note dated 7-3-1944, offering his remarks on the observations made by audit on the subject, in the last year's report, has explained that "although the Standing Committee's sanction ... ... is taken, the actual course of suit is delayed partly in the Legal Assistant's office and partly in the Court." He has, however, not explained anything about the undue long period which expires (as observed in a number of cases), prior to obtaining the sanctions of the Standing Committee for filing suits.

The postponement of legal steps in the initial stages should, therefore, be strictly avoided.

A plot of land at Fergusson Road, Worli, Scheme 52, was leased by the City Improvements Trust for a period of 3 years from 8-2-1926 to one Mr. Abdul Karim Jan Mahomed. On expiry of the said lease it was renewed in favour of his heir Bai Mariambai for a further period of 3 years ending 7-2-1932. Thereafter the tenancy was cotinued as a monthly tenancy. In the case of monthly tenancies the Estate Agent's Department has to collect the taxes along with the rent and pay them over to the Assessor & Collector. That department, however, failed to collect the taxes although a good amount of arrears of rent was collected by it before 1938 when the party failed. It also did not give due intimation to the Assessor & Collector that the original lease was converted into a monthly tenancy from 7-2-1932 and hence the bills for taxes were presented to the lessee instead of to the Estate Agent and Land Manager. The Assessor & Collector continued to issue bills for all the years in the name of the monthly tenant and on non-payment thereof went for Court action after 6 years by which time the arrears accumulated to a sum of Rs. 3,237-14-0. However, when the papers were sent to the Municial Solicitors for filing a suit, the Assessor & Collector was made aware by them that the tenancy was a monthly one and hence the Estate Agent's Department was responsible for payment of taxes. The filing of suit was therefore held over.

M.C.A.1206/IV
28-6-1940

If due action was taken for the recovery of taxes prior to 1938, they could perhaps have been recovered along with the recovery of arrears of rent which was made by the Estate Agent and Land Manager during that period.

Thus, due to the failure of the two departments to take steps for the collection for a long period of about 6 years, the amount of the outstanding taxes, *viz.*, Rs. 3,562-12-0 has been lost to the Municipality and is met out of the expenditure grant under Budget B.

The following defects in respect of outstanding bills were noticed :—

M.C.A.3639/IV
7-5-1943
M.C.A.3630/IV
6-5-1943
M.C.A.3638/IV
7-5-1943
M.C.A.3629/IV
6-5-1943
M.C.A.3640/IV
7-5-1943
M.C.A.3641/IV
7-5-1943
M.C.A.3637/IV
7-5-1943
M.C.A.1962/IV
29-4-1941
M.C.A.3677/IV
25-5-1943

(1) Receipting of bills inadvertently by the ward inspectors concerned.

(2) The date of presentation in a bill shown as the date of payment.

(3) Duplicate bills produced for audit.

(4) Facsimile stamp not affixed on some bills.

(5) Incorrect bill numbers shown in the remittance reports.

(6) Quoting wrong date of payment of bill on the list of outstanding bills, etc.

(7) Bills not produced for audit.

(8) Bills produced for audit though they were shown as paid in the lists of outstanding bills.

The needful was got done.

In several cases, differences in the figures of outstanding bills as shown in the Ward Office Abstracts and Head Office Ledgers were inquired into and got reconciled.

M.C.A.3671/IV, 22-5-1943
M.C.A.3690/IV, 4-6-1943
M.C.A.3676/IV, 25-5-1943

The balances of bills outstanding as on 1-4-1943 brought over on the ledgers for 1943-44 were found unattested. Needful was got done.

M.C.A.3703/IV, 19-6-1943

Drawbacks.

As stated in the audit report for the year 1940-41, audit had suggested the desirability of incorporating a clause in the Drawback Rules to make it obligatory on the part of the owners to prove their drawback claims by production of regular books of accounts, as the production of bill books, even by the owners of large properties without the relative account books, in support of their drawback claims and their acceptance by the Municipality as sufficient proof of vacancies against the findings of the Departmental Officers, had become almost a routine. The suggestion was accepted and the drawback rules were accordingly modified (*vide* Standing Committee Resolution No. 141 of 5-5-1943).

M.C.A.1775/IV, 18-3-1941

The claims for drawbacks for 2nd half of 1942-43 and 1st half of 1943-44 in respect of property bearing D Ward No. 3500(3) were allowed to Mr. S. H. A. Ommer although the property was not transferred to his name in the Assessment Book. On calling for explanation by Audit, necessary correction regarding the name of the assessee was made in the Assessment Book with the Commissioner's sanction and it was explained that the drawbacks were so far allowed to Mr. Ommar as he had erected the building in question on the plot of land taken on lease by him but, due to the mistake of the Ward Staff, his name had remained to be inserted in the original proposal of assessment.

M.C.A.3814/IV, 4-8-1943

The declaration forms in some of the drawback cases were found to have been signed by persons who were shown as minors in the Assessment Books. On the audit query, the Assessor and Collector stated that unless the minor on their attaining majority applied for corrections submitting relevant documents, no changes were made in the assessment books. It may be observed that, in order to keep the Assessment Books up-to-date, the Department should take particular care not to admit cases for drawbacks signed by persons who appear as minors on the books unless and until the necessary corrections are carried out on production of the relevant documents.

M.C.A.3844/IV, 21-8-1943
M.C.A.3870/IV, 6-9-1943 & M.C.A.3813/IV, 4-8-1943

Refunds.

Refund was found to have been inadvertently allowed on the basis of the monthyly rent of Rs. 75 2/12 for the 2nd half of 1939-40 in respect of the vacancy of block No. 29 on the fifth floor of the property bearing D Ward No. 2408-2409 (1-2) whereas during the 1st half it was allowed on the monthly rent of Rs. 70 5/12.

M.C.A.1808/IV, 20-3-1941

A reference being made to the Assessor & Collector the excess paid to the party was recovered.

Refund was granted for the 2nd half of 1941-42, in respect of the property bearing B Ward No. 3229 upto 25-11-1941 whereas the Hydraulic Engineer in his note of 24-11-1941 stated that the property was partly occupied. On a reference to the Assessor & Collector it was explained that the Ward Inspector, at the time of inspection of the property on 29-11-1941, questioned the tenant as to the date from which he came to occupy the property. As the tenant informed him that he occupied the property from 26-11-1941 and as he had no reason to disbelieve the tenant, he accepted the date and certified the vacancy. The Assessor & Collector further stated that, on receipt of audit reference, the accounts of the owners were inspected and it was found that the rent was recovered by the owners from the incoming tenant for the full month of November 1941. Consequently the excess refund allowed for 25 days of November, *viz.*, Rs. 1-10-0 was recovered from the owners.

M.C.A.3660/IV, 15-5-1943

The Deputy Municipal Commissioner thereupon advised the Assessor & Collector to instruct the Ward Staff to be more precise in their scrutiny of declared vacancies for purposes of refund or drawback.

Refund was allowed for the 1st half of 1942-43 in respect of the vacancy of the property bearing C Ward No. 2093(2). The Superintendent, in his report of 10-6-1942, stated that the property was wholly vacant whereas the report of the Hydraulic Engineer's Department of 16-7-1942 showed that the property was partly occupied. The Assessor & Collector has been requested to reconcile this. Reply is awaited.

M.C.A.3750/IV, 7-7-1943

A refund was passed in respect of the vacant land bearing C Ward Nos. 2588-2589.

M.C.A.3788/IV, 23-7-1943

In this connection it was observed that in certain cases of vacant lands the Department used to allow refunds on the basis of the capitalised value of the property and the half-yearly tax while, in some other cases, the calculations of refund were made on the basis of the monthly rent.

As this practice lacks uniformity in procedure, the question was referred to the Assessor & Collector who has issued instructions to the staff that henceforward the refunds on vacant lands should be allowed on the basis of the capitalised value and the half-yearly tax therefor.

The futility of verification certificates given in some cases by the Ward Superintendents and Assistant Assessors after the expiry of the half-years to which the claims for refunds related, and in some cases, a year after the occurrance of vacancies, was pointed out to the Department. Due instructions were issued by the Deputy Municipal Commissioner to the staff of the Assessment & Collection Department to dispose of such papers immediately so that the work of verification of vacancies, etc., may not be delayed in future.

M.C.A.3805/IV, 30-7-1943 & M.C.A.3833/IV, 16-8-1943

A number of refund cases was noticed to have been passed for the subsequent half-year before disposing of the cases for the previous half-years. Reference being made to the Assessor & Collector, needful was got done.

M.C.A.3809/IV / 31-7-1943 & M.C.A.4233/IV / 31-3-1944

Refund was found to have been allowed in respect of a vacancy on the 1st floor of property bearing C Ward No. 336-337 though no notice foı the continued vacancy of the floor was received from the party.

M.C.A.3823/IV / 3-8-1943

The excesss amount of refund paid to the party was got recovered.

Refund was allowed for two shops on the property bearing C Ward No. 5177, the rents of which were Rs. 190 and Rs. 125. Each shop had a stall for which the rent at a daily rate of Re. 1 was recovered by the respective tenants of the shops. Refund in the first case was allowed after deducting the rent of the stall, (Rs. 190—Rs . 50) but no such deduction was allowed on account of the stall in respect of the other shop.

M.C.A.3834/IV / 16-8-1943

The Assessor & Collector's reply to audit query is awaited.

When a vacancy continues from one half-year to another half-year, refund for property taxes is claimable only if a notice of vacancy has been given by the owner of the property within 30 days from the commencement of the next half-year. In this connection the Assessor & Collector has also issued instructions under his order No. 7 of 18-11-1941 at the instance of the Chief Accountant that the letters of vacancies received from the parties prior to the date of commencement of the next half-year should not be treated as notices of vacancies and no refunds should be allowed unless fresh notices are given within the period specified under Section 176(3) of the Act. In disregard of this provision and the orders, the Department was found passing claims for refunds on the strength of the notices received on dates prior to the commencement of the next half-year. The Chief Accountant and the Assessor & Collector have therefore been requested to see that the orders are strictly and consistently observed in allowing refunds.

M.C.A.3855/IV / 25-8-1943

Refund was granted for the 2nd half of 1940-41 in respect of the property bearing F Ward No. 639(4A). The Superintendent reported that the property was vacant upto 21-12-1940, whereas the Inspector of the Hydraulic Engineer's Department reported that the property was occupied on 20-11-1940. The Assessor & Collector has been requested to reconcile this. Reply is awaited.

M.C.A.3884/IV / 14-9-1943

The vacancy of the 4th floor of the property bearing C Ward No. 5751 terminated on Magasar 30, *i.e.*, 6-1-1943 but the refund of Rs. 26/11 was allowed upto 22-1-1943. As a result of the audit reference, a fresh refund certificate for Rs. 23-5 was issued in place of the one for Rs. 26/11.

M.C.A.3950/IV / 9-10-1943

Refund on account of the vacancy of the ground floor of the property bearing D Ward No. 1179 was found to have been allowed though a room therein was occupied by the caretaker of the building. On enquiry it was explained by the Assessor & Collector that it was a longstanding practice to allow refund when a whole property was vacant except for the room occupied by the caretaker, after deducting the rent of the room in occupation of the caretaker and the same porocedure was adopted in this case.

M.C.A.4138/IV / 24-1-1944

In a refund case the party had by his letter dated 13-5-1942 notified the vacancy in respect of 'Block Nos. 1, 5, Mazzenine, 10, 11, 12 and No. 9 of property bearing D Ward No. 2445(4A) from 1st June 1942.' The refunds in respect of these blocks were allowed by the Assessor & Collector as detailed below:—

M.C.A.4202/IV / 25-2-1944 & 18-5-1944

Block No. 1	...	...	Refund allowed from 1-6-1942.
,, 5	...	...	Do. 13-5-1942.
Mazzenine (Intermediate floor)		...	Do. 1-6-1942.
Block No. 10	...	...	Do. 13-5-1942.
,, 11	...	...	Refund not allowed as the vacancy lasted for less than 30 days.
,, 12	...	...	Refund not allowed as it was found occupied and was never vacant.
,, 9	...	...	Do. do. do. do.

Audit enquired as to how refunds could be allowed in respect of block Nos. 5 and 10 with effect from 13-5-1942 when the party had notified the vacancies from 1-6-1942. The Assessor & Collector replied that the party had mixed up the vacancies of the blocks which had occurred at the time when the letter was written with the vacancies of the blocks that would be occuring on 1-6-1942 and that it was difficult to expect the rate-payers to be so precise in the use of the language and the Department had to construe the letter in broad terms and interpret it in the light of actual facts. It may be remarked that, out of the blocks notified by the party, two were reported by the staff as occupied and not vacant. Moreover, it may be observed that it is not the function of the Municipality to make amends by infering the intentions of the parties in notifying the vacancies and allow refunds from the dates prior to the dates of vacancies notified by them.

Refund for the vacancy of block No. 16 on the 1st floor of property bearing D Ward No. 2705(2) was allowed on the basis of the monthly rent of Rs. 45 5/12 for the 2nd half of 1941-42 and the 1st half of 1942-43 whereas the rent for the same was shown in the Inspection Book at Rs. 45 gross which came to Rs . 42 5/12 net. The Assessor & Collector was, therefore, asked to do the needful. Reply is awaited.

M.C.A.4232/IV / 31-3-1944.

Valuations.

The property bearing E Ward No. 4105(2) stood assessed at Rs. 3,145 during 1940-41. The property was under repairs and the value was reduced to Rs. 2,545 on 12-5-1941. When it was actually let after the repairs, the ratable value worked out to Rs . 3,615 p.a. (*vide* Tabulated Ward Report No. 282 of 15-11-1941). This increase in valuation was brought on books with effect from the next year, *i.e.*, from 1-4-1942. Audit therefore objected to this and inquired as to why it was not modified during the year 1941-42, under Section 167 of the Municipal Act, as it was a case of hard fact of increase in rent by 42 per cent. The Deputy Municipal Commissioner has accordingly issued instructions that the proper procedure to be followed in such cases should be laid down and if circumstances, in any case, required advantages and disadvantages to be weighed before bringing such properties on rise during the currency of the year they should be duly reported upon by the staff.

M.C.A.3412/IV / 10-2-1943.

The rateable value of the property bearing B Ward No. 1336 was reduced from Rs. 8,510 to Rs. 1,650
M.C.A.3568/IV as 2/3 rd portion of it was demolished for repairs. Out of the 1/3rd portion that remained, a godown and a pedhi were let out on a monthly rent of Rs. 85. The valuation of Rs. 1,650
12-4-1943 fixed for the period of repairs was, however, based on the value of the land without taking into consideration further value of the portion of the structure which remained undemolished and which fetched a monthly rent of Rs. 85. It may be remarked that in such cases of partial demolitions it would not be correct to ignore the rents realised by the owner and to fix the valuations merely on the value of the land.

The rateable value of the property bearing B Ward No. 4129(2-3) was fixed, taking the area as 416 sq.
M.C.A.3573/IV yds. whereas the exact area was 435.79 sq. yds.. On a reference to the Assessor & Collector, it was explained that as per the Estate Agent's intimation dated 21-7-1942 the area of the
13-4-1943 aforesaid plot was taken at about 416 sq. yds.. On 5-12-1942, however, another memo
&
M.C.A.3575/IV giving the correct area was received from the Estate Agent but as the plot was already assessed and the value proposed had become final, the assessment was not disturbed.
13-4-1943
Similar instance of undervaluation was found in the case of property bearing B Ward No. 4130 (1-2) where the area of land intimated by the Estate Agent in the first instance was 607 sq yds as against the correct area of 623 sq. yds.. As the Municipality suffers a monetary loss in such cases, the Deputy Municipal Commissioner has ultimately requested the Estate Agent and Land Manager to give complete details of all the leases to the Assessor and Collector by the end of January at the latest as the last date on which proposals for amendment under Section 167 of the Municipal Act could be reported on the Tabulated Ward Report was the 15th of February each year.

As no separate entry appeared in the Assessment Books for 1942-43 and 1943-44 for the two C. I. Sheet
M.C.A.3702/IV temporary sheds in the compound of the Sir Harkinsondas Narotamdas Hospital, the Assessor & Collector was asked to state whether the same were assessed and if so, to put
19-6-1943 up the tabulated ward reports for the same Reply is awaited.

In fixing the valuation of the property bearing D Ward No. 2361-62, the monthly rent of the second
M.C.A.3822/IV floor was adopted at Rs. 304 per month. While certifying the vacancies for the drawback the Superintendent reported 19 rooms at Rs. 10 each and 26 rooms at Rs. 8 each as vacant.
7-8-1943 This meant that there were 45 rooms rented at Rs. 398 per month. The Assessor & Collector was asked to inquire, who stated that the rooms were inadvertently certified as fetching a uniform rent, instead of some at Rs. 10 each and some at Rs. 8 each.

The property bearing B Ward No. 3019 was treated as vacant from 1-6-1943 as per party's letter
M.C.A.4103/IV whereas it appeared from the Hydraulic Engineer's report that it was occupied upto the middle of August 1943. The Assessor & Collector has been requested to reconcile this.
10-1-1944 Reply is awaited.

In case of the property bearing C Ward No. 5108 to 10, the rental value of the 1st floor was stated to be
M.C.A.4117/IV Rs. 214-3-0 per month whereas the value of the ground floor of equal area was estimated at Rs. 100 per month only. The disparity was explained by the Department to be due to
17-1-1944 the ground floor being used as a caste-dining place as against the 1st floor which was let out to several tenants for residential purposes.

The following instructions appeared to have been issued by the Assessor and Collector to the staff on
M.C.A.4143/IV 22-5-1943:—
27-1-1944

"(1) The question of taking cognisance of rise in rents in specific cases brought to the notice of the Municipal authorities by tenants or others in ordinary complaints was considered and it was decided that the Standing Order No. 1 of 22-4-1943 issued in this behalf should stand; but that, in specific cases complained about, properties having rateable values upto Rs. 2,000 should be brought on T.W.R. if the majority of the rents are stated rents and there is an increase of 5 per cent. in rents, and those having rateable values above Rs. 2,000 per annum if the increase in rents is above 3 per cent. This decision should be effective only for the duration of war as on account of heavy pressure on housing, there is a sustained increase in rents."

An inspection of registers of F Ward for the year 1943-44 was made by audit to see whether the increases in valuations mentioned in the instructions were brought on books. It was then noticed that the properties of the rateable value upto Rs. 2,000 per annum with the minimum increase of 5 per cent. in rents and those of the rateable value of above Rs. 2,000 per annum with an increase of rent above 3 per cent. were neither tested by the Ward Superintendents nor brought on the Tabulated Ward Reports. A list of such cases was drawn out and forwarded to the Assessor and Collector who explained that the increases shown in the list were not covereed by the instructions. A further reference has, however, been made to the Assessor ad Collector to forward list of increases brought on books, if any, under these instructions in the different wards of his Department. Reply is awaited.

Inquiries were made as to why the revisions in valuations were not effected during the currency of the
M.C.A. 4148/IV year 1943-44 in the cases of properties bearing C Ward Nos. 6462 and 2688-89 as they appeared to be due to change of users. It was explained that as the increases in rents were very
31-1-1944 small and the change of users were not substantial ones, the cases were brought on Tabulated Ward Reports as cases of rise in rents only with effect from the next year.

Additions to the property bearing C Ward No. 1587-88 were made from 31-8-1943 but the revised valua-
M.C.A.4226/IV tion was given effect from 6-10-1943. The Assessor and Collector explained that the discrepancy did not come to the notice through inadvertence and issued supplementary bills
16-3-1944 for the period from 31-8-1943 to 5-10-1943.

Water by Meter Measurement.

The consumption of water in respect of the property bearing B Ward No. 4459 and 5149 for the period
M.C.A.3894/IV from October 1942 to March 1943 was charged at the rate of As. 14 per 1,000 gallons whereas it was charged at As. 12 only for the previous period. The Hydraulic Engineer was referred
17-9-1943 to in the matter who explained that the property under reference was occupied as a laundry
&
18-12-1943 and a soda factory which were being supplied water through two separate connections and as these connections were found inter-connected within the premises, the rate of As. 14 was made applicable under Rule I(*c*) of the Water Charges Rules with effect from 1-10-1942. Again it was noticed that consumption from April 1943 to September 1943 was charged at the rate of As. 12 per 1,000 gallons instead of As. 14 charged in the previous period. The Hydraulic Engineer was requested to explain why the supplementary bill for the difference of Rs. 119-2-0 should not be issued under the above circumstances. Reply is awaited.

M.C.A.4242/IV
29-3-1944

From the Meter Reading Register of G Ward relating to the half-year ending 30-9-1943 the Hydraulic Engineer was requested to explain in 4 cases in which figures of consumption of water were not furnished and in 3 cases where remarks regarding the recovery of meter hire for the broken periods were not made. Reply is awaited.

M.C.A.4243/IV
29-3-1944

The figures of consumption of water were not furnished in two cases and the bill for the consumption of water was not issued in one case in the meter reading register of F Ward for the half year ending 30-9-1943. The Hydraulic Engineer and the Assessor and Collector were, therefore, asked to explain. Reply is awaited.

M.C.A.3751/IV 7-7-1943
M.C.A.2039/IV 4-6-1941
M.C.A.3849/IV 24-8-1943
M.C.A.3843/IV 21-8-1943
M.C.A.1203/IV 13-7-1940
M.C.A.3961/IV 19-10-1943
M.C.A.3981/IV 23-10-1943
M.C.A.4184/IV 21-2-1944
M.C.A.1587/IV 21-12-1940
M.C.A.1623/IV 21-1-1941
M.C.A.4159/IV 10-2-1944
M.C.A.3628/IV 6-5-1943
M.C.A.3760/IV 10-7-1943
M.C.A.1614/IV 15-1-1941
M.C.A.3124/IV 29-9-1942
M.C.A.4241/IV 29-3-1944
M.C.A.4201/IV 25-2-1944
&
M.C.A.3968/IV 21-10-1943

On being inquired into by Audit, notes of the recoveries of meter hire were taken in 101 cases in the Meter Reading Registers for 1942-43. Similarly 80 cases were inquired into in which notes of the figures of water consumption were either not taken, or were incorrectly taken, or were subsequently corrected without authentications, etc.. Also in two cases, bills were found not to have been issued at all though figures of water consumption were filled in, whereas in one case the bill was issued for Rs. 66-4-0 instead of for Rs. 80-2-0. In addition there were omissions of recoveries in several cases. All these defects were inquired into and subsequently needful was got done. It is essential that the department should avoid these sorts of irregularities in maintaining the registers, the main purpose of which is to record promptly all dues to enable their recoveries in due time.

M.C.A.4171/IV
16-2-1944

The property bearing A Ward No. 1005(1) was found charged for water by meter measurement instead of on value. Report of the Assessor and Collector on the reference made to him is awaited.

Compounded Water Tax.

M.C.A.1764/IV
12-3-1941

Audit objected against the levy of compounded watertax for a sanatorium where fees were being charged to its occupants. The Deputy Municipal Commissioner thereupon passed orders to discontinue the compounded water tax and to charge water tax on value with effect from 1-4-1941. The amount of water tax on value leviable worked out to Rs. 72-6-0 per annum as against the compounded sum of Rs. 15 per annum charged. From the above audit objection, however, a further query was raised by the Deputy Municipal Commissioner as to eligibility of exemption from the general tax on such sanatorium where fees or rents were charged. As a result of this query, the concession of exemption from general tax, that was being allowed, was withdrawn with effect from 1-4-1943, in respect of all sanatoriums where fees or rents charged were equal to market rent.

M.C.A.3033/IV
21-8-1942

A compounded sum of Rs. 40 per month was being charged to the B. E. S. & T. Co., Ltd., for watering tram-tracks and rail-cleaning purposes. The Assessor & Collector was asked to quote the Standing Committee's Resolution sanctioning the above rate. Necessary enquiries were thereupon made by the Assessor & Collector from the Company as regards the consumption of water and as a result it was finally decided to charge the Company, compounded water tax at Rs. 52 per month instead at Rs. 40 per month from 1-4-1943 under Standing Committee Resolution No. 719, dated the 25th August 1943.

M.C.A.3656/IV
15-5-1943

On enquiry as to why the three properties *viz.*, (1) Priest's quarters, (2) shed and (3) residence attached to the properties assessed under B. Ward Nos. 732(1), 3211 (2-3), and 3303 respectively, (shown in the lists of compounded water tax for the years 1941-42 and 1942-43) were not charged water tax on value it was explained that neither the quarters in the first case, nor the residence in the third case were used for residential purposes. The former were used for keeping dieties, storing up of materials of the temple and for caste dining, whereas the latter represented a darga only. In the circumstances, the descriptions of these porperties which were incorrect, werecorrected in the list for 1943-44.

The second property, *viz.*, the "shed" was being used formerly for storing up materials required for darga but from about February 1943, the Muzawar had come to reside there. It was, therefore, stated by the Assessor & Collector that the compounded water tax in this case was also correctly levied for the previous years but sanction was obtained in July 1943 to charge for the year 1943-44 an additional amount of Rs. 1-14-0 being water tax on value for the portion of the shed occupied by the Muzawar.

Compounded water tax is being recovered in respect of the following properties :—

M.C.A.3657/IV
15-5-1943

(1) Temple under A Ward No. 4 (1A).

(2) Prince of Wales Museum under A Ward No. 1176 (1, 3A, 3C and 4).

It appears that in the former case there are quarters attached to the temple which are used for the priest's residence and in the latter case the quarters attached to the Museum are used as residence of the Secretary and his servants. No water tax on value is, however, recovered in respect of these quarters, although in the first case, the Standing Committee has passed orders as far back as 1935-36 that water-tax should be recovered on value for the quarters. Explanation of the department was called for in May 1943, but the water tax chargeable on the quarters in addition to the compounded tax was not found levied upto 31-3-1944.

Miscellaneous.

M.C.A.2503/IV
18-12-1941 & 25-2-1944

No record was being maintained in the Head Office or in the Ward Offices of the Assessor & Collector's Department of the numbers and the amounts of the bills lodged in Court as exhibits for inspection at any time. On suggestion from audit to maintain such a record, it was agreed by the Assessor & Collector to maintain registers of such bills at the Ward Offices as well as the Head Office in future.

M.C.A.3929/IV
28-9-1943

While verifying the statement of irrecoverable bills sanctioned to be written-off under Standing Committee Resolution No. 763 dated the 1st September 1943, it was noticed that some of the bills written off were in the name of persons who were either in war service or whose assets were in charge of the Custodian for Enemy Property. Audit, therefore, enquired of the Assessor & Collectorwhether the bills could not be kept pending till the cessation of the war and whether the Custodian for Enemy Property was not liable for the payment of debts or charges on behalf of the persons whose property he managed and if so, whether demands were presented to him. Reply is awaited.

Wheel Tax.

During the year, nearly 1,285 cases were noticed and reported by audit in the course of test-checking 25 per cent. of the entries in the wheel tax registers, for which no bills were issued by the Department for tax on vehicles, animals, etc.. Out of these, replies for 767 cases have since been received from the Assessor to the effect that either the bills were issued or that the vehicles were not chargeable on account of their removal from the City or their being under repairs, etc.. 518 cases still remain unreplied. This year as usual the lists of outstandings are not attached owing to scarcity of paper.

It was observed during audit that the Assessment Department did not take proper notes in the registers whenever the vehicles were transferred from one place to another and as a result no certainty was felt whether a particular vehicle (against which no remark of bill appeared) was taxed or not. The Department was written to several times to avoid these omossions in the registers and the Assessor & Collector had instructed the staff but such omissions were still continued to be noticed during the year under report.

M.C.A.3396/IV
4-2-1943 & 8-12-1943

Motor Lorry No. BMT 2412 was found taxed at Rs. 35 for the quarter ending 30-6-1942 whereas it was taxed during the previous quarters at Rs. 30 only. On enquiry from audit as to the difference in charge, it was explained by the Assessor & Collector that according to the weight of the car, it was correctly chargeable at Rs. 35 per quarter. The mistake in weight was detected in February 1942 and the tax at Rs. 35 per quarter was recovered from the assessees for the period from 1-10-1940 to 31-3-1943. The assessees, however, disputed payment of the tax for the period from 1-4-1940 to 30-9-1940 on the ground that the truck was under repairs during that period and the papers on the subject were submitted to the Commissioner separately. Audit, therefore, called for those papers from the Assessor & Collector on 8-12-1943 which are not yet received.

M.C.A.4003/IV
11-11-1943 & 5-6-1944

An amount of Rs. 20 due from one Miss Mohini Ramchandra pertaining to C Ward Wheel Tax bill No. 606/16793 for cars Nos. W/224 and N/6887 for the quarter ending 30-9-1938 was written off under Standing Committee Resolution No. 1760 of 10-2-1943 on the ground that she had left Bombay and her address was not known. However, from the Telephone Directory it was noticed by Aucit that one Miss Mohini had a telephone connection in the same ward and the Assessor & Collector was accordingly asked to make enquiries in the matter. The Assessor & Collector replied on 25-5-1944 that enquiries were made and the party staying at the address mentioned in the Telephone Directory was Miss Mohini Rose who denied the cars in question having ever been hired by her. She, however, furnished adddress of Miss Mohini Ramchandra, but she was not found there The Assessor & Collector has again been requested to state whether enquiries were made for the party with the person who had acknowledged the office letter, dated 21-2-1944, addressed to Miss Mohini Ramchandra. Reply is awaited.

M.C.A.4056/IV
13-12-1943

An amount of Rs. 60 in respect of wheel tax due from one Miss Izubeda Gulam Rasul was sanctioned to be written off under Standing Committee Resolution No. 1002 of 22-10-1943. The facts of the case are as follows :—

The Motor Car No. N/2342 was registered in the name of the party in the Police Commissioner's Office on 2-5-1938 and stood registered there upto 12-2-1940. The car was taxed only for the quarters ending 30-6-1939 and 30-9-1939. The bills therefor were issued on 24-10-1939 and 20-10-1939 respectively and were presented to the party on 16-12-1939 and the notice of demand was served as late as on 8-7-1941 by registered post after the car was removed to Calcutta on 12-2-1940. It will be seen that no bills were issued in respect of the car for the periods 2-5-1938 to 31-3-1939 and from 1-10-1939 to 12-2-1940 and no notice of demand was served for the bills issued for the intermediate period till after the car was removed from the City.

While verifying the statement of irrecoverable wheel tax bills written off under the Standing Committee Resolution No. 1002 of 22-10-1943, it was noticed that:—

M.C.A.4073/IV
23-12-1943

(1) Four bills amounting to Rs. 90, outstanding against Mr. W. R. Rumbold who was Assistant Custodian of Enemy Property upto 1-3-1942, were written off on the ground that the party had joined the war services. Out of these, two bills relating to the period from 1-10-1941 to 31-12-1941 were issued on 20-1-1942 and presented on 11-3-1942. The demand for the previous period, *viz.*, 6-6-1941 to 30-9-1941 and for the quarter ending 30-6-1942 were made subsequently while no demand was made for the quarter ending 31-3-1942.

(2) Two bills amounting to Rs. 45 in respect of the period from 1-10-1940 to 31-12-1940 and 1-1-1941 to 31-3-1941 respectively due from Mr. F. E. Banberry who was employed as a cartoonist in the Times of India upto February 1942 had to be written off on the grounds similar to those stated in (1) above.

(3) An amount of Rs. 30, due from one Mr. A. B. Cooper, who was working as General Manager of the British Institute of Engineering Technology was also written off on the similar grounds.

Several other bills due from parties who were on war services were also written-off. Audit, therefore pointed out that the losses in most of these cases were more or less due to the delayed presentation of the demand and enquired whether it was not desirable to keep the claims pending and if possible to trace out the parties through appropriate Government Department for effecting the recoveries.

The reply is awaited.

In the following cases recoveries were got effected for omissions, under-charge or excess refunds:—

Serial No.	Ward	Case number and date.	Particulars.	Amount recovered. Rs.	a.	p.
1	E	M.C.A. 3843/IV of 26-11-1943	... Meter hire not recovered for the period from 1-4-1942 to 31-3-1943 in respect of item No. 101 on page 8 of E Ward Meter Reading Register for 1941-42.	18	0	0
2	A	M.C.A. 1587/IV of 21-12-1940	... Under-charge under entry No. 390 at page 13 of the Meter Reading Register for the year 1939-40.	0	6	0
3	A (G. P. R.)	M.C.A. 1623/IV of 21-1-1941	... Bill for water charge for the period from 1-10-1939 to 20-2-1940 not issued in respect of entry No. 27 on page 10 of A (G.P.R.) Meter Reading Register.	141	2	0
4	C	M.C.A. 4226/IV of 16-3-1944	... Under-charge in respect of property taxes for the property bearing C Ward No. 1587-88.	26	13	0
5	A (G. P. R.)	M.C.A. 4159/IV of 10-2-1944	... Bill for consumption of water by meter for six months ending 31-3-1943 wrongly issued for Rs. 66-4-0 instead of Rs. 80-2-0.	13	14	0
6	C	M.C.A. 3950/IV of 9-10-1943	... Excess refund in respect of the property bearing C Ward No. 5751.	3	6	0
7	C	M.C.A. 3823/IV of 7-8-1943	... Excess refund in respect of the property bearing C Ward No. 336-37.	1	8	0
8	B	M.C.A. 3656/IV of 15-5-1943	... Watertax on value not recovered for the year 1943-44 in respect of the shed attached to the Darga bearing B Ward No. 3211 (2-3).	1	11	0 *(Recurring annual recovery.)
9	B	M.C.A. 3660/IV of 15-5-1943	... Excess refund in respect of the property bearing B Ward No. 3229.	1	10	0
10	G	M.C.A. 3271/IV of 12-12-1942	... Under-charge in respect of motor lorry No. BMT 4375 under Schedule No. 21 of 1941-42 and 18 of 1942-43.	40	0	0
11	G	M.C.A. 3760/IV of 10-7-1943	... Supplementary bill not issued for the excess consumption of water recorded for the half-year ending 30-9-1942 in respect of entry No. 270 on page 18 of the Meter Reading Register of G Ward.	51	0	0
12	D	M.C.A. 1808/IV of 20-3-1941	... Excess refund in respect of property bearing D Ward No. 2408 2409 (1-2).	2	11	0
13	D	M.C.A. 4098/IV of 10-1-1944	... Under-charge in respect of vehicle No. BMT 5950 under Schedule No. D 3135.	5	0	0
14	G	M.C.A. 1764/IV of 12-3-1941	... Sanatorium bearing No. 5244(2) of G Ward charged for water at compounded rate instead of on value.	57	6	0 (Recurring annual recovery).
15	A	M.C.A. 3033/IV of 21-8-1942	... Under-charge for water consumed by the B. E. S. T. & Co., Ltd., for watering tram tracks etc..	72	0	0 (Recurring six-monthly recovery.)

The following cases of omissions, under-charge or excess refunds were noticed and reported for which no replies have so far been received:—

Serial No.	Year in which original reference was made.	Ward.	Case number and date.	Particulars.	Amount.		
1	1939-40 ...	B	M.C.A. 818 of 22-12-1942	... } Under-charge in respect of motor lorry No. Y 4995 under Schedule No. 78.	10	0	0
2	1940-41 ...	B	M.C.A. 1320/IV of 7-12-1942	... }			
3	1942-43 ...	G	M.C.A. 3396/IV of 8-12-1943	... Under-charge in respect of motor lorry BMT 2412 under Schedule No. 531.	10	0	0
4	1942-43 ...	F	M.C.A. 3434/IV of 16-2-1943	... Under-charge in respect of concern No. BMX 3305	15	0	0
5	1940-41 ...	B	M.C.A. 978/IV of 5-4-1940	... Under-charge in respect of car No. T. 5296 under Schedule No. 2094.	10	0	0
6	1940-41 ...	B	M.C.A. 1656/IV of 8-4-1942	... Under-charge in respect of concern No. 605 under Schedule No. 412.	5	0	0
7	1941-42 ...	E	M.C.A. 2155/IV of 15-9-1941	... Water tax in respect of property bearing Ward No. 6480 not charged from 13-5-1941 to 30-9-1941.	18	5	0
8	1943-44	B	M.C.A. 3894/IV of 18-12-1943	... Under-charge of water tax by meter measurement in respect of property bearing Ward No. 4459-5149.	119	2	0
9	1943-44 ...	D	M.C.A. 4098/IV of 10-1-1944	... Under-charge in respect of concern No. BMT 5950 for the quarter ending 30-6-1943.	5	0	0

Miscellaneous Departments.

The following departments are in charge of the collection of miscellaneous Revenue :—

(1) Municipal Commissioner's Office, (2) Town Duty Refund and Election Office, (3) Central Stores, (4) Legal Assistant's Office, (5) Municipal Secretary's Office, (6) Hydraulic Engineer's Department (7) Victoria and Albert Museum, (8) Public Health Department including Analyst's Office, (9) Health Department A and B Wards Office, (10) Health Department C and D Wards Office, (11) Health Department E Ward Office, (12) Health Department F and G Wards Office, (13) Malaria Department, (14) Arthur Road and Maratha Hospitals, (15) Office of the Superintendent of Vaccination, (16) K. E. M. Hospital and G. S. M. College, (17) Conservancy Department, (18) City Engineer's Central, Building and Architectural Branches, (19) City Engineer's Works and Maintenance Branches, (20) Mechanical Engineer's Department, (21) Drainage Department, (22) Fire Brigade Office, (23) Licence including Shops and Establishment Department, (24) Gardens Department and (25) Market and Slaughter Houses.

Revenue Returns.

Under Standing Committee Resolution No. 1534, dated the 10th February 1939, the forms of the Revenue Registers of the above Departments were revised as from 1st April 1939 for maintaining accounts on the basis of demand, collections and arrears for each source of income and for tallying of these accounts with those maintained in the Chief Accountant's Office.

Though the revised forms were introduced with effect from 1st April 1939 the work of completion of quarterly accounts and submission of revenue returns duly reconciled with the figures on the Chief Accountant's books was slack during the past years and the Commissioner had to waive submission of the quarterly returns of some of the departments for 1940-41 and in the case of Legal Assistant's Department for 1941-42 and 1942-43 (*vide* Commissioner's report, dated the 31st March1944 underlying Standing Committee Resolution No. 80 dated the 19th April 1944.)

The position of the returns received for audit for the year 1943-44 till the time of writing this report is shown hereunder :—

Serial No.	Name of the Department.	Period upto which the quarterly revenue returns received.	Period upto which the quarterly deposit returns received.	Remarks.
1	Municipal Commissioner's Office	... 31-12-1943	31-12-1943	
2	Town Duty and Election Office	... 31-12-1943	31-12-1943	
3	Central Stores	... 31-12-1943	31-12-1943	
4	Municipal Secretary's Office	... 31-12-1943	...	
5	Hydraulic Engineer's Department	... 31-12-1943	31-3-1944	
6	Victoria and Albert Museum	... 31-12-1943	31-12-1943	
7	Public Health Department including Analyst's Office	... 30-6-1943	31-12-1943	
8	Assistant Health Officer, A and B Ward Office	... 30-9-1943	30-9-1943	
9	Assistant Health Officer, C and D Wards Office	... 31-12-1943	31-12-1943	
10	Assistant Health Officer, E Ward Office	... 30-9-1943	30-9-1943	
11	Assistant Health Officer, F and G Wards Office	... 31-12-1943	31-3-1944	
12	Assistant Health Officer, Malaria Office	... 31-12-1943	31-12-1943	
13	Superintendent of Vaccination's Office	... 31-12-1943	31-3-1944	
14	Arthur Road Hospital	... 31-12-1943	30-9-1943	
15	Maratha Hospital	... 31-12-1943	31-3-1944	
16	K. E. M. Hospital	... 31-12-1943	31-12-1943	
17	G. S. M. College	... 10-10-1943	31-12-1943	
18	Conservancy Department	... 30-9-1943	31-12-1943	
19	City Engineer's (Buildings Branch)	... 31-12-1943	31-12-1943	
20	City Engineer's (Works Branch)	... 31-12-1943	31-12-1943	
21	Fire Brigade	... 31-12-1943	31-12-1943	
22	Licence Department	... 31-12-1943	31-12-1943	
23	Gardens Department	... 31-12-1943	31-3-1944	
24	Markets and Slaughter Houses	... Nil.	30-6-1943	
25	Mechanical Engineer	... 31-12-1943	31-12-1943	
26	Drainage Department	... 31-12-1943	...	
27	Legal Assistant's Office	... 30-9-1943	...	One consolidated return for 2 quarters was received and sent back under objection.
28	Test Audit Officer (Printing)	... 31-3-1944	...	

Some of the returns shown as submitted to audit in the above statement have been received so late during this year that their scrutiny is not complete at the time of writing this report.

The Commissioner's attention has been drawn again this year to the non-submission of the remaining returns under this office note No. M.C.A. 63/V, dated the 8th May 1944 and 19th September 1944.

It will be seen that the work of rendering accounts by the Departments upto 31st March 1944 and of checking and reconciling them by the departments with the books of the Chief Accountant has remained incomplete and the figures of revenue receipts published in the Appendix No. 3 of the Annual Report of the Chief Accountant, cannot therefore be vouch-safed as correct and balanced with the figures appearing in the books of the departments for which the returns upto 31st March 1944 have not been submitted to Audit.

Departmental Registers.

Inspection of the departmental registers at the time of writing the report showed incomplete character of writing, balancing and checking of books upto 31st March 1944. In some departments the books were not balanced and attested in token of their virtual completion. It may be remarked that though sufficient staff for complete internal detailed checking of revenue accounts in the departments has been given to the Chief Accountant, the demand registers in some departments were not found completely checked. Even the milk licence notices in the Health Department were found checked here and there with the postings in the demand registers. Counterparts of the licences at Bandra Slaughter House were also not found checked with the registers. It is not desirable that the work of internal control of the Chief Accountant should be scamped in this manner by his staff. A note to the Municipal Commissioner has been sent in this connection.

Income and Deposit Registers of the Chief Accountant's Office.

Several heads of account of rents and other miscellaneous revenue opened under different service heads, contained mixed figures of collections received through different departments or different branches of a department. Due to this, the figures furnished by the Departments in their revenue returns under such items could be reconciled with difficulty by picking out items relating to a particular department. Similar is the case in respect of the balances of deposits of the period prior to 1st April 1941 in the deposit registers where they have not been classified according to the Departments. These observations made in the last year's report have still remained unreplied though 1½ years have elapsed. The Departments also complain about the mixed figures appearing in the Chief Accountant's books, due to which the work of reconciling the figures is being much hampered.

Delay in replies to Audit Notes.

As laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, every query or observation made by Audit has to be promptly disposed of by the Officers concerned, but out of the 52 audit notes outstanding for the previous years and 149 notes issued during the year, replies so far received are only 37 for previous years and 99 for the year under report. This leaves 65 references outstanding till the time of writing the report. This year as usual the list of outstandings is not shown owing to the scarcity of paper.

Irregularities and omissions noticed in some of the quarterly returns were duly pointed out to the Departments and got rectified. Some typical instances of errors and omissions are given below:—

Chief Accountant's Department.

M.C.A.4192/V
24-2-1944

In the Deposit Registers of the Chief Accountant's Office all deposits under B.—Cash Deposits I, C.E. (*b*) Deposits from Improvement Schemes pertaining to the City Engineer's Works Branch, Building Branch and the Estate Agent's Office are shown under one head. It is, therefore, difficult to verify the deposit figures of departmental returns with the mixed figures on the Chief Accountant's books under this head, and it is necessary to sort out and group them according to the Departments. The Chief Accountant's reply is awaited.

M.C.A.4145/V
29-1-1944

The account of supervision charges in respect of Private and Departmental bills and of other bills, was not properly kept in the Demand Register of the City Engineers' Works Branch. There were omissions and excess postings both of demand and recoveries and no reconciliation of demand and outstanding with the Chief Accountant's books was made. There was no inter-departmental check maintained to see that all the demands were immediately brought on the registers as soon as they became due. The account of supervision charges rendered in the revenue returns of 1942-43 was therefore incorrect. Reply to the reference made to the Chief Accountant in this connection is still awaited.

M.C.A.3881/V
11-9-1943

The account head—Improvement Schemes Account, General Account Revenue—V. Miscellaneous Receipts, is operated by four departments *viz*., Legal Assistant's Department, Estate Agent's Department, City Engineer's Works Branch and City Engineer's Buildings Branch, but in the Chief Accountant's book separate accounts for each department were not maintained. Due to this, the reconciliation of the departmental figures with those on the books of the Chief Accountant could not be verified. Scrutiny revealed that several items which appeared in the books of the Chief Accountant were not accounted for by any of the four Departments, while in some cases the same items were posted in the books of more than one department. With a view to avoid duplication and omission in the departmental books and to simplify the work of reconciliation, the Chief Accountant was advised to open separate sections for recording different departmental figures. The suggestion has been given effect to from 1-10-1943.

Controller of Stores.

M.C.A.4016/V
24-11-1943.

Sanctions were not noted in the Demand Register for rent free occupation and for a rented place occupied by an employee at Bellasis Pipe Depot. Reply is still awaited.

Legal Assistant's Department.

The following observations were made in the last year's audit report on the accounts of the Department:—

"The Registers of demand, collections and outstandings in respect of the Legal Assistant's professional cost, court fees, etc., are found incorrectly written up posted and unbalanced since the inception of that Department. The figures of recoveries are also not reconciled with the amounts shown on the Chief Accountant's books. The necessity of putting these registers on a proper working basis has been persistently pressed on the Commissioner and the Departments of the Chief Accountant and the Legal Assistant, since the year 1938-39 as can be seen from the previous audit reports. Nothing material has, however, been done in the matter of reconciling and correctly bringing out the outstanding balances in the Registers."

The replies of the Departments received through the Commissioner on these observations and other correspondence on the subject show that the two departments have failed to reconcile the accounts of the previous years and no arrears could be ascertained. The correspondence continued for four years during which period the omissions and irregularities in posting the registers continued due to want of co-ordination between the departments and want of intimations of adjustments from the Chief Accountant to the Legal Assistant. Consequently no returns for the period 1939-40 to 1942-43 have been furnished to audit, and in the circumstances the Commissioner has not pressed for the submission of the past years' returns. The first revenue return received from the Department was for the first half year ending 1943-44 which had to be returned for the following defects:—

(*a*) The opening arrears of Rs. 10,475-10-0 and Rs. 15,798-5-6 shown in the returns in respect of the Municipal and Improvements accounts respectively, are not certified as correct by the Legal Assistant and the Chief Accountant, who are unable to ascertain whether the items in connection therewith are really outstanding or not, as the accounts for the previous years have not been reconciled, and there are items with blank money columns in the book in respect of Court suits.

(*b*) The demand registers were not totalled and balanced.

(*c*) Several errors and omissions in postings.

(*d*) Mixed figures of adjustments effected for the different departments on the Chief Accountant's book.

The Legal Assistant has since issued instructions to the various departments showing the procedure to be followed in the matter of adjustment of legal charges and sending of intimations of the recoveries credited in the Chief Accountant's books to his Department. Results are being watched.

M.C.A.4033/V — 3-12-1943 & 27-3-1944

Demand for costs of a decree obtained on 26-2-1940 against a tenant of the Market Department was outstanding in the Demand Register of the Department. The Superintendent of Markets has been advised to recover the balance of costs and professional fees which are outstanding for years.

M.C.A.4153/V — 4-2-1944; M.C.A.4195/V — 24-2-1944

Two adjustments giving credit to Law Charges were carried out in 1942 but the demands in respect thereof were shown outstanding, there being no postings of recoveries. The needful was got done.

M.C.A.4063/V — 15-12-1943 & M.C.A.4037/V — 3-12-1943

In the Demand Register of the Department there were entries for certain suits filed against the Municipality for compensation or damages. They were got removed from the Register as there were no claims or costs to be recovered by the Municipality.

M.C.A.4066/V — 16-12-1943

An amount of Rs. 62-13-0 recovered on 28-9-1943 in respect of a decree passed on 1-12-1942, was kept under deposit account of the Election and Town Duty Office while the demand for Court and Professional costs was running outstanding. Necessary adjustment was got done in February 1944.

M.C.A.3952/V — 19-10-1944

An amount of Rs. 2-4-0 remitted to the Chief Accountant's Office was not supported by a receipt. Similarly no receipts were prepared for amounts recovered from Court in respect of half cost of settled suits. The Legal Assistant was advised to prepare official receipts in all cases.

M.C.A.3683/V — 28-5-1943

Two recoveries of Rs. 140 and Rs. 51-15-0 effected in May 1942 were not posted in the Demand Register and their relative demands were also not created. The Legal Assistant's reply to audit query is still awaited.

M.C.A.3977/V — 23-10-1943

Variation found in noting the demands in the Register for out of pocket expenses and professional cost of a bill issued to a party was enquired into. The Legal Assistant's reply is awaited.

M.C.A.4015/V — 24-11-1943

The Register for suits filed in the Small Causes Court and in the High Court was not totalled and balanced and the outstanding demands on 31-3-1943 were not carried forward. Reply is awaited.

M.C.A.4005/V — 12-11-1943

128 items of demands comprising of bills preferred for agreements etc., and for legal advice pertaining to periods from 1936 onwards were outstanding in the Demand Registers. In many cases the bills are settled, and the Legal Assistant was requested to explain why they remained outstanding so long when adequate deposits are usually taken by the departments in the cases of agreements, etc. Reply is awaited.

M.C.A.4027/V — 30-11-1943; M.C.A.4044/V — 6-12-1943; M.C.A.4053/V — 11-12-1943; M.C.A.4161/V — 5-12-1943; M.C.A.4062/V — 5-12-1943; M.C.A.4034/V & M.C.A.4035/V — 3-12-1943

Cases of outstanding demands in the books of the Legal Assistant pertaining to the Health Department, Estate Agent's Department, Assessment Department, Engineering Department, Garden Department, and Fire Brigade were referred to the Heads of Departments with a request to furnish particulars of recoveries, if made, and to steps taken by them to effect recovery if they were really outstanding. Replies are still awaited.

However, in about 15 items shown outstanding in the Register, the departments responsible for the recoveries could not be ascertained for want of proper particulars. Reply to reference made to the department for these cases is awaited.

Hydraulic Engineer's Department.

M.C.A.2802/V — 7-5-1942

Defects noticed in the Rent Demand Register of chawls and staff quarters for the year 1941-42 were referred to in the last audit report. No reply is still received from the department. However, in reply to these observations the Chief Accountant stated that the Hydraulic Engineer was requested to submit a complete list of chawls and other staff quarters let out rent free or otherwise, and the first list recevied on 16-9-1942 was returned being incomplete; and that the complete list was received late in 1944. He further added that the Rent Demand Registers for 1944-45 would be kept on the basis of the revised list and full information required by Audit would be embodied therein as far as possible. Thus it will be seen that the Rent Demand Register for staff quarters and chawls was not complete during the year under report.

M.C.A.3924/V
27-9-1943
M.C.A.3928/V
27-9-1943
&
M.C.A.3826/V
11-8-1943

Examination of the Rent Demand Register for 1941-42 and 1942-43 showed the following defects, errors and omissions :—

(*a*) Recoveries of rentf rom employ ees were delayed over a year and in some cases they were outstanding.

(*b*) Short recoveries of rent and electric installaton charges due to incorrect demand shown in the Register.

(*c*) Omission of certain demands from the register till the recoveries were made.

(*d*) Wrong cancellation of demands.

(*e*) Differences in the closing arrears of the year with the opening arrears of the subsequent year.

(*f*) Electric installation charges for the quarters at Bhandarwada were not recovered for a year.

(*g*) Sanctions for rent free quarters and for waiving of demand for electric installation charges were not recorded in the Register.

(*h*) Dates of occupancies and vacancies were not given in all cases in the Register.

(*i*) Entries of demand and recoveries were not attested by any responsible person of the office.

(*j*) No remarks were made for increase or decrease in demand for a quarter.

(*k*) Demands for rent were created in the Register simply because of erroneous allocation of recoveries and although the errors were subsequently set right the demands noted were not removed.

(*l*) Only personal accounts of recoveries of rent and electric installation charges were kept instead of maintaining Rent Register of all the chawls and quarters in charge of the Department.

Replies to audit references are still awaited.

M.C.A.4036/V
3-12-1943

A deposit of Rs. 15 was received on 18-7-1941 from a licensed plumber for testing fittings etc. Against this sum, fittings were tested in 1941, 1942 and 1943, but the demands for testing charges to be recovered were not noted in the Demand Register. As a result of audit action, an amount of Re. 9-10-0 was adjusted to Revenue in February 1944. Such demand should be brought on the register immediately when they accrue.

M.C.A.3854/V
25-8-1943
& 11-10-1943

As per the arrangement with the Forest Department, 2/3 of the revenue derived from the Tulsi Forest is creditable to Municipal Revenue by the end of each official year. No amount was received in this connection for the year 1942-43. The Hydraulic Engineer explained that there was a heavy fall in revenue and the Divisional Forest Officer had submitted a bill on 18-1-1943 for excess expenditure over revenue amounting to Rs. 849-5-0 for payment, and he had requested the Forest Officer to carry it forward as debit balance in the share bill for the year 1943-44. The reason given by the Forest Officer for the fall in revenue is as under :—

"According to new system the working plan was revised and the trees which might be felled from the area are very few and far apart. The labour involved is so great that it is not considered profitable to work these coupes for duration of war when the labour is scarce in the Salsette Range."

M.C.A.3724/V
28-6-1943

Amounts of six extra water-charges bills were carried forward as outstanding in the Demand Register for 1943-44 although they were adjusted in the last quarter of 1942-43. The necessary corrections were got done.

M.C.A.3740/V
2-7-1943

In two cases bills were not prepared for drawing water from the Municipal hydrants but their demands were noted in the register from the receipts passed. In another case a water charge bill was subsequently cancelled but the demand was shown outstanding. As a result of audit reference, the Hydraulic Engineer issued instructions to prepare bills in all cases of extra charges for water and to note the demands in the register therefrom. The outstanding demand for extra water charge was also cancelled.

M.C.A.3955/V
14-10-1943

The account for the recoveries of electric installation charges was maintained on demand, collection and arrears basis in the Rent Demand Register but the account rendered in the revenue returns was on recovery basis as the quarterly summaries were not prepared. An item of the Legal Assistant's Department was also found noted in the Demand Register of the Department both as demand and recovery. This was referred to the department and the needful was got done.

M.C.A.3766/V
13-7-1943

Three recoveries of Rs. 50 each, in respect of compounded charge for water used in temporary stables for race horses during 1937-38, 1938-39 and 1939-40, were received under deposit. No demands were created in the Register in respect of water consumed by the temporary stables, and the amounts in deposit account remained unadjusted. The matter being referred to the Hydraulic Engineer, the deposits were adjusted in November 1943.

M.C.A.2181/V
2-8-1941
& 10-1-1944

The Building Notice Register was found incomplete in as much as outstanding items of the previous years were not brought forward, bills preferred in respect of notices issued were not noted, and the notices issued after 1-4-1943 were not recorded. Reply to audit reference is awaited.

M.C.A.3317/V
6-1-1943

It was mentioned in the last year's audit report that an extra water charge bill was preferred for Rs. 43 against the correct amount of Rs. 63 as per the details shown in the bill. As a result of audit action, the undercharge of Rs. 20 was recovered from the party by preferring a supplementary bill.

M.C.A.4196/V
24-2-1944
& 18-9-1944

As per Water Charges Rules for 1943-44 a levy of Rs. 6 per annum has been introduced for cleaning the dial and resealing of private meters. The account of these recoveries was not kept on demand basis in the Register. As the number of private meters are readily available in the various Meter Reading Registers, and with a view to ensure that in all cases of private meters the charge is recovered and also to know the correct position of outstanding cases, the Hydraulic Engineer was advised to open separate account in the Miscellaneous Revenue Register and to note the demands of all the private meters from the Meter Reading Registers in the beginning of the year. The account was opened on demand basis as suggested from 1-4-1944, but all the demands for private meters were not found accounted for. This was again referred to the Hydraulic Engineer whose reply is awaited.

A list of 57 outstanding bills for extra water charges issued upto 31-3-1942 was sent to the Hydraulic Engineer for explaining the reasons why they were outstanding. As a result of audit query adjustments or recoveries were effected in 27 cases, 16 bills were cancelled and 14 bills remained outstanding. A further reference was made to the Hydraulic Engineer and his reply is awaited.

M.C.A.3722/V — 28-6-1943 & 12-5-1944

In the Miscellaneous Demand Register the account of Supervision charges of P. O. & P. C. bills was not kept properly as required under Circular No. A.E. 731 of 24-6-1942. The opening arrears as on 31-3-1942 were not shown, and the recoveries effected through adjustments were not correctly posted. Some of the intimation slips in respect of adjustments were not made available to audit. The Chief Accountant was, therefore, requested to issue proper instructions to the Department which he has given on 1-4-1944, and the Department has agreed to maintain the account accordingly.

M.C.A.3774/V — 14-7-1943

Thus the accounts rendered in the revenue returns for 1943-44 were on the basis of rcovery and not on the basis of demand and collection.

Nine deposits received during 1939-40 to 1941-42 for preparation of agreements etc., were outstanding in the Deposit Register of the Department. From the reply received to the audit query it could be seen that no agreements were executed. In one case the deposit was refunded on 9-3-1944 as the right was terminated. In another case the deposit received for a yearly right of 1939 was proposed to be utilized for an agreement of the current year's right.

M.C.A.4033/V — 3-12-1943

This shows that there is unusual delay in preparation and execution of necessary documents.

Quadruplicate Notice Book for non-payment of water charges was introduced at the instance of Audit, but the account for notices issued was not maintained separately on demand basis in the Demand Register. The dates of notices issued were not shown in the office foils of the Notice Book and they were also not attested by any responsible person of the office. This was referred to the Hydraulic Engineer, who stated that a separate account of notice fee was opened as from 1-4-1944 on demand basis of all the notices issued, and that the dates of issue of notices were being shown in the office foils and were being authenticated by the Head Clerk of the Section.

M.C.A.4105/V — 10-1-1944

No additional charge of 15 per cent., over the usual fee for testing and sealing of private meters was found levied on the parties upto October 1943 although the recovery of additional charge was laid down in the Water Charges Rules for the year 1942-43 and 1943-44. Reply to audit query is awaited.

M.C.A.4194/V — 24-2-1944

Instead of charging the standard rent of a Municipal quarter, rent at 10 per cent., salary basis was recovered from an employee occupying free quarters on his transfer to another place. Reply is awaited.

M.C.A.3920/V — 24-9-1943

Lists of outstanding bills for meter hire and sale of water by meter measurements pertaining to the years 1939-40 to 1942-43 were sent to the Hydraulic Engineer for explanation, as the rent for Municipal water meters let on hire to consumers is payable in advance, and adequate deposits are generally taken from the parties concerned. As a result of audit action, some bills were either recovered or adjusted and some were cancelled. It was further noticed that in several cases bills for subsequent periods were recovered leaving the bills of previous periods outstanding; in some cases water charges were recovered but the meter hire was outstanding; and notes of cancellation of bills and postings of recoveries of some of the bills were not made. The issue of notices of demand was also found considerably delayed. Replies to audit references are awaited.

M.C.A.3864/V — 2-9-1943 & 17-1-1944 & M.C.A.3865/V — 2-9-1943 & 11-1-1944

In two bills of private connections during May 1939, the testing charges were shown as charges for materials and the inspectors attendance fees were shown under labour charges. The charges shown under 'Materials' were also found in the Stores Abstracts for the materials indented by the Department. The Hydraulic Engineer was requested to account for the materials indented from the Store-keeper of the value shown in the Stores Abstract. He explained that it was a clerical error in preparing bills under a misunderstanding and the materials indented were evidently used on maintenance works. It was pointed out to the Commissioner that the explanation given by the Department, *viz.*, the materials for which the charges were debited to the advance account were evidently used on the maintenance work was not convincing and that there was no control over misuse and waste if the department certified the bills without proper regard to receipt and utilization of materials for which the Grants were debited. Reply is awaited.

M.C.A.3821/V — 7-8-1943 & 9-2-1944

At the Malabar Hill Reservoir garden it was noticed that fruit bearing trees like plantains, pupias, etc., grown at the western toe of the garden were being watered from the Municipal hydrants by the malis of the garden. Vegetables like salad were also seen manured and grown thereat in special troughs. Good many bunches of plantains were also observed on the trees. As the receipt books did not show any sale proceeds of fruits and vegetables the matter was referred to the Commissioner who called for a report from the Department. The Hydraulic Engineer in his report stated that the trees like plantains etc., were grown by the staff in the Municipal private land near quarters at private expense and the fruits were naturally appropriated for private purposes; that the Municipality did not stand to lose anything, not even water, as the trees were usually grown in a place where percolation water was always available, and but for these trees malarious and unhealthy condition would be created; and that the staff ought to be encouraged to grow vegetables and small plants wherever possible and practicable to do so in these days of "Grow More Food" Campaign.

M.C.A.3986/V — 2-12-1943 & 19-1-1944

It is no doubt a laudable idea to grow fruit trees and vegetables in available Municipal lands in these days, but it is desirable that such spaces should be made to yield some revenue.

The cost of the purchase of water meters estimated at about Rs. 3,01,025 is being met by an annual provision made in the Capital Works Budget. It was suggested to the Commissioner, as reported last year, that in view of the annual income of about Rs. 75,000 derived from the hire of meters and in view of the life of meters of about 25 years only, the cost may better be distributed over the revenue grants for the next few years instead of the Capital grants. The Chief Accountant argued to say that the currency of our loan is fixed at 30 years and the meters will be required to be replaced after about 25 years and therefore, the cost of new meters can very well be met from new loan. Apart from the technical objection against creation of a debt for a period longer than the estimated

M.C.A.2718/I — 16-10-1942

life of the assets purchased thereout, the provision of water meters in the City on rental basis is a scheme separate by itself and it is desirable to keep the income derived therefrom as a separate amount as distinct from the income for the supply of water and to meet all expenses thereout. I am therefore, inclined to agree with the Hydraulic Engineer to create a separate water meter fund to which may be credited and debited all receipts and expenditure in connection with the provision of water meters in the City.

As the receipts from meter hire are fairly good, the fund will be able to bear all the expenses for their repairs and maintenance as well as the cost of future replacements. This measure will also help to reduce to some extent the annual surplus appearing under the General Account of Water Works.

Chief Librarian.

M. C. A.4045/V — 6-12-1943

The Municipal Libraries were transferred from the Schools Committee and put in charge of the Chief Librarian in March 1943. It was noticed that (1) there were no recoveries for library deposits till 25-5-1943, (2) certain recoveries were acknowledged on typed receipts, (3) no register was maintained of receipt books issued to various librarians and (4) in several cases the librarians delayed remittance of deposit moneys for days together. The Chief Librarian explained that prior to 25-5-1943 the library books were allowed to be read on spot and not issued; the various registers and receipt books were printed late and as no separate receipt book was printed, he had to pass typed receipts in March 1943. The delay in remittances was due to the persons being new and not acquainted with the Municipal procedure, and the register of receipt books and remittance slip books issued to various librarians has since been maintained.

Health Department.

M.C.A.3775/V — 15-7-1943

A short recovery was noticed in respect of issue of a birth certificate which was duly brought to the notice of the Department and got recovered.

M.C.A.3866/V — 2-9-1943

The remittances of the Arthur Road Hospital were found often delayed for over 24 hours during March 1943. The Superintendent of the Hospital explained this to be due to one peon attending to cash and despatch work who could not bring the remittance book back daily from the Chief Accountant's Office. This has since been set right by issue of two remittance books to be used on alternate days.

M.C.A.3956/V — 14-10-1943

In the Rent Demand Register for staff quarters of the Turner Sanatorium it was noticed that (*a*) a dhobi who was entitled to one room was shown occupying two rooms rent free; (*b*) a bhisti not entitled to rent free accommodation was allowed a room rent free; (*c*) sanctions for rent free quarters were not noted and (*d*) two rooms in the old servants' quarters were shown as vacant without assigning any reason therefor. In reply to audit reference the Executive Health Officer explained that two dhobies were occupying the rooms but the name of only one was shown through oversight; for allowing the bhisti rent free occupation as from 1-1-1942 sanction of the Standing Committee had since been obtained (*vide* Standing Committee Resolution No. 1704 of 2-2-1944) and that the sanctions for rent free quarters, and the use of two vacant rooms for storing unserviceable articles and fire wood were also recorded in the Register.

M.C.A.4205/V — 28-2-1944 & 7-7-1944

Ramesh Premchand Tuberculosis Hospital buildings and the surrounding lands at Sewree have been taken over by the Naval Authorities from 1-4-1943. No demand was shown in the Demand Register for the recovery of rent in respect thereof. In reply to audit enquiry the Executive Health Officer explained that the question of rent was under correspondence and it had since been fixed at Rs. 3,500 per month and taken on the Demand Register.

M.C.A.3952/V — 11-10-1943

Under Corporation Resolution No. 865, dated the 9th January 1939, the distribution of contributions received from the public through poor boxes to the staff was stopped. It is observed that in the Arthur Road Hospital a fund called "Nurses' Welfare Fund" is started to which portions of moneys received as donations from the public for treatment of patients are being credited whenever it is so specified by the donors. Similar donations are also received by the Committee, managing the "Nurses' Welfare Fund" of the K. E. M. Hospital. The department was asked whether any orders of the Corporation were obtained for crediting such moneys received in connection with the treatment of patients in the Hospital by the Municipal Authorities to the "Nurses' Welfare Fund." It appears from the reply received that the fund is treated as a private fund and sanction of the Commissioner for its creation has since been obtained. If the fund is a private one, its receipts and payments should not be merged in the Municipal Accounts. The money received may be invested separately by the authorities of the fund just on the line of the Snow's Relief Fund.

M.C.A.4090/V — 5-1-1944

At the Arthur Road Hospital it was noticed that the Certificate Book was not consecutively numbered and some pages therein were missing. For filling in the death forms for Insurance Companies for policies of the deceased patients, fees are charged on the amount of insurance but no data was available for verifying the fees charged to the parties. Recoveries in some cases were also found wrongly allocated. Reply to audit reference is awaited.

M.C.A.3737/V — 2-7-1943

In a milk licence notice issued against a hawker the data (the quantity of milk) on which the fee was charged was not stated. This being pointed out to the Executive Health Officer, the needful was done, and the Milk-Sub-Inspector was asked to be more careful in future by him.

M.C.A.3738/V — 2-7-1943

Bad coins found in the Poor Box at the Imamwada Maternity Home on 31-3-1943 were not forwarded to the Accounts Office along with the other collections of Poor Box till 3-5-1943. It was explained by the Head Clerk that they remained to be sent inadvertantly. The clerk was warned by the Commissioner to be more careful in future.

M.C.A.3880/V — 11-9-1943

In the Deposit Register of the Assistant Health Officer A and B Wards entries were not found made in their relative columns; no voucher numbers were given against the postings and the corrections or cancellations were not attested. The Deposit Register is designed to avoid copying out of the outstanding balances for three years, yet the oustanding balances of a year were recopied. On a reference made by Audit to the Health Officer, the needful was done.

Four servant passes issued by the Assistant Health Officer, A and B Wards in respect of milk licences during 1942-43 were cancelled subsequently, but the originals were not found attached to the counterparts. On a reference made by audit a search was made for the originals by the Department but they could not be traced.

M.C.A.4089/V
3-1-1944

Messrs. Polson Ltd., were granted licences during 1939-40 under B. P. A. Act for keeping ghee and butter for wholesale business at premises No. 237, Frere Road, Fort. They discontinued keeping ghee at the premises and the licence for keeping butter was renewed for 1940-41. The storing of butter was afterwards stopped but retail business of selling ghee and butter at the same premises was continued.

M.C.A.3602/V
24-4-1943

For keeping ghee and butter for retail business no licences were, however, found issued to them by the Licence Department. To an audit query whether intimations are sent to the Licence Department when a whole-seller turns into a retailer, the Assistant Health Officer explained that intimations were usually sent but in this particular case the point escaped attention, and he had issued a memo to the Licence Department on 23rd June 1943 for taking necessary action in the matter. As a result of audit action fees for keeping ghee for four official years amounting to Rs. 12 and fees for keeping butter for three official years amounting to Rs. 9 were recovered by the Licence Department on 6th August 1943.

Demand Register for wash-stones of Dhobiwada at Mahalaxmi was not found written upto date. In the Bhatti Register the daily totals of the bhuttis burnt, were not cross tallied with the monthly totals, and the dates of test checking of the bhutties lit, by the Supervising Officers were not given. This was pointed out and the needful was done.

M.C.A.3937/V
4-10-1943

In the Demand Register of the Malaria Office no demand was noted in respect of leave salary contributions recoverable from Government for deputation of an employee to the Food Controller's Office as from 1st May 1943. In another case a demand for supervision charges for anti-malarial measures taken by the Department in respect of Back Bay Reclamation Scheme was shown for the first time in the register of 1942-43 without any reference to bill number etc., although the anti-malarial measures were being taken for a long time. As a result of audit query needful has been done in the former case while in the latter, papers (under case No. H. 443) called for from the department are still awaited.

M.C.A.3898/V
18-9-1943

In the audit report of 1941-42 a reference was made to a case wherein the licence fees under B.P.A. Act for 1939-40 and for 1940-41 (on transfer of the business) were not recovered for a ghee-shop at 35, Shaikh Memon Street. The Executive Health Officer explained that a licence under B.P.A. Act was granted for 1940-41 from the date from which the owner complied with the requirements of the Act, and not from the date of starting the business. He has since issued instructions to the staff to recover fees in such cases in future, from the date the business is started unless a prosecution is launched for carrying on the trade without a licence. As regards non-recovery of fresh fee on transfer of the business he explained that the business was carried on jointly by the father and his son. The present licensee is the son of the former and it was possible that the staff was not aware of the change of ownership of the shop and as the change in ownership was only formal it would have been unfair to recover the fees from the present licensee for the part of the year 1940-41.

M.C.A.2389/V
10-11-1941

It may be observed that no provision exists for transfer of licence in the B.P.A. Act and if a business licensable under the Act is transferred a fresh licence is necessary and the licence fee becomes payable afresh by the new owner.

K. E. M. Hospital and G. S. M. College.

No demand was noted in the Demand Register of the G. S. M. College for leave salary contributions recoverable from an employee whose services were lent from 1st April 1942 to the Indian Research Fund Association. The recoveries were not effected regularly month by month. No interest was also recovered from the employee for delay in payment of the contributions. An amount of leave salary contributions recovered from him on 21st April 1943 was kept in deposit and not adjusted. Reply is awaited.

M.C.A.3828/V
13-8-1943
& 17-3-1944

For occupying the quarters attached to the K. E. M. Hospital two employees were charged rent on floor area basis while three others were charged rent at 10 per cent., of their emoluments after their transfer to other departments. Similar instance of differentiation in treatment was pointed out last year too, where an officer of the rank of the Controller of Stores was charged rent at 5 per cent of his salary *i.e.*, Rs. 28-12-0 per month as against Rs. 40 per month on the floor area basis charged to a Head Clerk, for overstayal in the quarters after their transfer to other departments. In such cases one uniform method should be followed.

M.C.A.4070/V
31-1-1944

All staff quarters whether occupied rent free or otherwise required to be brought on books were not accounted for in the Rent Demand Register of the K. E. M. Hospital. Only the quarters occupied on payment basis for rent and electric charges were shown therein. Moreover, the form in which the account was kept, was that of the Miscellaneous Revenue Register instead of the one adopted for the Rent Demand Register. The Dean was advised to open this account in the appropriate form which he has agreed to do with effect from 1st April 1944.

M.C.A.2493/V
10-4-1942

As per the schedule of fees, the frogs supplied to students of the G. S. M. College for Physiological and Anatomical experiments are to be charged at annas two per frog. It was noticed that students were being charged at an enhanced rate of Re. 0-2-6 per frog which was not sanctioned by the Commissioner. In reply to audit reference the Dean explained that due to abnormal conditions created by war, it became difficult to procure frogs at less than annas two each, and hence the recoveries were effected at Re. 0-2-6 per frog from 27th July 1942. Sanction of the Commissioner has since been obtained to regularise it.

M.C.A.3817/V
5-8-1943

In the Register for sale of parts of dead bodies of the G. S. M. College no entries of the disposal of the parts were found made in some cases, while in some other cases no fees were found recovered for the parts issued to students. There were also no proper attestations. The Dean being referred to in the matter issued necessary orders for the proper completion of the Register and authorised the Demonstrator to sell parts to students and issue them another free of charge, whenever a part goes bad.

M.C.A.3816/V
5-8-1943

A sum of Rs. 2,500 of the Poor Box Charity Fund was invested as fixed deposit with a Co-operative Society instead of in Government paper or in fixed deposit with any approved Bank. The Dean being referred to, the needful has been done.

M.C.A.4188/V
23-2-1944

Conservancy Department.

The Corporation under their Resolution No. 1011, dated the 16th January 1941 approved of a lease of right for exhibiting advertisements on the outer walls and roofs of 51 public urinals in the City being granted to Messrs. Comadverts for three years with effect from 1st February 1941 for Rs. 20,000, exclusive of licence fees for advertisements and municipal taxes, on certain other terms and conditions. The rent was payable in advance by instalments of Rs. 555-9-0 per month. Written agreement was not executed in respect of the lease. The party ran in arrears of six months rent, *viz.*, Rs. 3,333-6-0 and he disputed payment of Municipal taxes. The procedure followed by certain Government Departments *viz.*, to demand solvency certificates from the parties in cases where large amounts are involved before they are allowed to bid at auctions in addition to the usual payment of security deposit, was suggested to the Commissioner for adoption in the Municipality. Reply is awaited.

M.C.A.3692/V
7-6-1943

As per Executive Health Officer's circular No. H. 8415/S.R. of 3rd July 1940 all bad coins received duly cut by the Health Department from the Chief Accountant's Office are to be forwarded to the Conservancy Department for disposing them off in the best way possible. The cut coins collected in the Department weighing about 6¼ lbs. remained to be disposed off. On a reference from audit the Commissioner ordered that the cut coins along with other coins of foreign countries should be sent to the Controller of Stores, who should put them to auction along with other materials and the sale proceeds of the coins should be credited to the Poor Box Account.

M.C.A.3960/V
19-10-1943

It was pointed out in the previous audit reports that the Rent Demand Registers of Staff Quarters and Chawls of the Conservancy Department, which were opened as from 1st April 1941 were not brought upto date. Since then, the matter was brought to the notice of the Standing Committee in case No. M.C.A. 3609/V of 29th April 1943. The Commissioner, in his report underlying Standing Committee Resolution No. 80 of 19th April 1944, explained as under:—

M.C.A.2555/V
19-1-1942
&
M.C.A.1768/V
2-10-1941

"The system of maintaining Rent Demand Register in the Conservancy Department is not a simple matter as it seems at first sight, inasmuch as, rents have to be charged to the scavengering men at the rate of annas 8 per month and to scavengering women at As. 5 per month and to halalkhore men and women at the rate of annas 10 per month, to adult male outsider at Rs. 2 per month, and to female outsider at Re. 1 per month, and as in one single room there may be two or more families staying with a number of outsiders both male and female. The number of persons staying in a room thus varies from month to month and the ascertaining of the demand room by room and month by month becomes, therefore, a very difficult matter. Moreover, in one chawl there may be occupants working in other wards or in other Departments, and the position becomes difficult for the purpose of ascertaining the demand and for reconciling recoveries month by month or quarter by quarter. A suggestion was, therefore, made to the Head Supervisor by the Test Audit Officer, some time last year, that the Demand Register should be kept not chawl by chawl as was suggested some years ago, but ward by ward and summary prepared every month to reconcile the number of rooms in the chawls with the number of rooms for which recoveries have been effected. This is still under consideration and is expected to be brought into effect from 1st April 1944."

However, till the time of writing the report in September 1944, no returns showing the account of demand, collections and arrears of rent of the chawls have been received by Audit, and accordingly it may be reiterated this year too that the rent account with an annual revenue of Rs. 63,000 remains entirely unexamined by Audit.

City Engineer's Works Branch.

Fee for permission to install a swing on the set-back land at Khadak Dongri Street was recovered at the rate of Rs. 2 per day as against the fee of Rs. 3 sanctioned by the Commissioner in a similar case. No written permit was also issued as required under Section 313 of the Municipal Act. The City Engineer explained that the occupation was allowed at the rate of Rs. 2 per day before the papers of the other case where the Commissioner had fixed the fee of Rs. 3 per day were received in his office; and although a demand at the rate of Rs. 3 per day was made on the party subsequently, he refused to pay it.

M.C.A.4197/V
24-2-1944
&
M.C.A.4228/V
17-3-1944

In another case for occupation of a portion of Cochin Street by Messrs. Marshall & Co., for keeping steam rollers, the fee was charged at the rates fixed for scaffoldings which is permitted for constructions repairs etc., to buildings under Section 322 of the Municipal Act. The keeping of steam rollers does not fall under the category of scaffoldings, etc. Reply to audit query in this case is still awaited.

It may be remarked that such cases of occupations of streets, allowed to the public for different purposes with due regard to the exigencies of traffic, are required to be regulated by issue of proper permits under Section 313, and where such permits are issued, fees at the rates fixed by the Corporation for different kinds of occupations have to be recovered (*vide* Section 479(2) of the Municipal Act). This irregularity being pointed out, the Commissioner has agreed to prepare the permit forms for different kinds of occupations of streets and to include the rates of fees in the Schedule of Fees after obtaining due sanction of the Corporation.

Fees for depositing building materials, erecting scaffoldings, etc., during the year 1942-43 were outstanding in four cases in the Demand Register. The City Engineer's explanation is awaited.

M.C.A.4152/V
4-2-1944

For hire of steam rollers to private parties and for using them on departmental works fees are prescribed in the Schedule of Fees. In the case of Private Works Bills the recoveries for hire charges are credited to Revenue under Hire of Tools and Plant, etc., and to the Expenditure grant under "Materials" in the proportion of 2 : 13 respectively, while in the departmental bills recoveries of these charges are credited wholly to the Expenditure Grant under "Materials". There is thus an apparent disparity in allocating the hire charges of the same item. Besides, the practice of giving credits for the whole amount of hire charges of the rollers to the Grant under Materials seems unjustifiable in view of the fact that the cost of running the rollers is for labour and materials and therefore the entire credit given to Materials help to inflate that Grant. The City Engineer's reply to audit query is awaited.

M.C.A.4179/V
17-2-1944
&
M.C.A.4209/V
2-3-1944

The service of Mr. B. M. Shah, Inspector of the Department was loaned to Government for A. R. P. Works. In the Demand Register the monthly demands for leave salary contributions recoverable from Government were not shown as and when they became due, but they were shown only when the amounts were either recovered or adjusted out of the deposit. Interest also was not found recovered for delay in payment of these charges as required by Rule 122

M.C.A.4190/V
23-2-1944

of the Municipal Service Regulations. When the employee reverted to his post in the Municipality his leave salary contributions were adjusted and the recovery was found short by Rs. 1-10-0. The City Engineer's reply is awaited.

M.C.A.4193/V
24-2-1944

Permit for erection of a temporary booth at Naviwadi, Dadi Seth Agiary Lane was issued on 30th September 1943 but the fee of Rs. 63 recovered on 29th September 1943 was found lying in deposit. The City Engineer's reply is awaited.

M.C.A.3130/V
30-9-1942 & 27-1-1943

In the last report it was stated that the necessary deed of licence for permission granted to the B. E. S. & T. Co. Ltd., to lay mains in the private lane off Dharavi Road was not prepared although the Company had paid the requisite amount in 1939 for the same. The papers appear to have been sent to the Legal Assistant in October 1942 for doing the needful but the City Engineer reports that the agreement is still not prepared.

M.C.A.3227/V
21-11-1942

In the last year's Audit Report it was stated that the receipts passed in favour of different parties were posted against one of them in the Annual Ground Rent Register; the periods appearing in several receipts varied with those shown in the Demand Register and some of the Demand Registers were not attested monthly by the Head of the Department and quarterly summaries were not prepared. The City Engineer explained that the former tenant had vacated his shop and a company stepped in, and paid rents but they were not accepted as tenants for some time. On receipts of the Commissioner's orders, the tenancy was transferred in the name of the owner of the Company and hence the postings of receipts passed to different persons were against one tenancy in the Demand Register. As regards the variation in the periods shown in the receipts and other omissions in the Registers, the needful was done. The City Engineer has been advised that in such cases the receipts should be passed on behalf of the tenants in whose name the tenancies stand and that the pocket ledgers of the Inspectors should be compared periodically with a view to avoid variations in the periods shown in the receipts.

M.C.A.4204/V
28-2-1944

No register of the stock of Tender Forms was maintained in the Department. The sale proceeds of these forms were credited to revenue instead of to the Printing Grant as required under Circular No. A.E. 741 of 8th January 1943. This being referred to the City Engineer, the needful was done.

M.C.A.4189/V
23-2-1944

In three cases, sales of cutwood lying at different depots were sanctioned during the year 1942-43, but were not taken on the Demand Register till 3rd May 1943. The City Engineer explained that in one case noting of demand was lost sight of due to complaint; in second case it was noted when the papers were received back from ward office and in the third case the demand was noted when the correct credit head was ascertained. He has issued instructions to his staff to take notes in the Demand Register as soon as the sanctions for acceptance of offers are received in his office.

M.C.A.3867/V
2-9-1943

Demands in respect Rights given in 1942-43 for removing cocoanut fruits from trees in various wards and for cutting grass at Gibbs Road were outstanding in the register. Attention of the City Engineer being drawn to it, the deposits received in connection therewith were adjusted and the oustandings cleared.

M.C.A.4221/V
7-3-1944 & 7-9-1944

In the buildings requisitioned in connection with A. R. P. Work there are nearly 1,800 tenements. Upto 28th February 1944 most of these tenements were occupied rent free by the Municipal servants employed on A. R. P. Work. Some of these tenements were also let to outsiders on payment of rent. However, since 1st March 1944 rents on certain fixed basis are to be recovered from the Municipal employees. The recoveries effected are both in cash (from outsiders) and through paysheets from the employees. It has been noticed that no Rent Demand Register showing the total number of buildings with the tenements therein and the rents fixed therefor is maintained in the Head Office. Only a Register of the tenants paying rent in cash is kept. This does not serve the purpose of ascertaining the demand and recoveries of all the tenements. The City Engineer has been advised through the Chief Accountant to do the needful in the matter. Reply is awaited.

M.C.A.4238/V
27-3-1944

In the Demand Register of the Department errors and omissions of the following nature were noticed :—

(a) Demand, collection and arrears of supervision charges for Private and Departmental bills not correctly recorded.

(b) The demands for supervision charges for A. R. P. Work noted some times twice over and without bill numbers, etc.

(c) Reasons for non-recovery of dues not recorded in the Register.

(d) Demands noted on cash basis in several cases.

(e) Omissions and mispostings.

(f) Several items of demand and recoveries in the various Registers not found checked by the Chief Accountant's staff.

Reply to audit reference is awaited.

M.C.A.3903/V
21-9-1943

It was noticed that no demand was created in the Demand Register for the assessed amount of damage to a gas lamp but as and when part recoveries could be made from the parties, they were shown in the Miscellaneous Revenue Register as demands as well as recoveries. This procedure does not help the watching of recoveries against the dues. The City Engineer's attention was drawn to this and he has issued necessary instructions to the staff to avoid such irregularities in future.

Mechanical Engineer's Department.

M.C.A.1050/V
27-7-1943 & 13-9-1943

In the audit report of 1940-41 a reference was made in respect of encroachment over a Municipal drain at Apollo Reclamation. The Mechanical Engineer now reports that the party disputes the date of encroachment and hence the delay in finalizing the issue and the papers are sent to the Legal Assistant. It may here be observed that the Department had passed a receipt for rent for a period of five years ending 28th February 1942 without recovering the arrears for the period *viz.*, 1st March 1936 to 28th February 1937 for which the party disputes payment. In another case of laying a private drain through the Municipal land at 85-95 Elphinstone Road, sanction of the Improvements Committee is still not obtained though the drain was laid somewhere in the year 1936. The Mechanical Engineer now explains that the property had changed hands several times and it is found difficult to make the new owners to pay the necessary deposit to cover the legal cost. The rent in this case is recovered only from 1st June 1939 and kept in deposit.

The necessity of taking timely action by the department cannot be over emphasized in view of various difficulties that arise after a lapse of time due to changes in ownerships etc.

It was mentioned in the last audit report that the demand for six rooms of the chawls at Love Grove Pumping Station occupied by the Schools Committee for a school was brought on the Rent Demand Register, as from 1st March 1943 at the instance of Audit. In this connection it was observed that undue delay used to occur in adjustment of rents for the monthly bills sent by the Mechanical Engineer to the Schools Committee and as a result, the Rent Demand Register used to show heavy arrears. On a reference being made to the Commissioner in this connection, the needful was done to adjust the account from month to month.

M.C.A.2277/V
8-11-1943

Amount of a standing deposit received from a party for permission to use Municipal land at Arthur Road was taken under Revenue. Certain receipts passed by the Drainage Department were made out in pencil and their printed numbers were also altered. The Mechanical Engineer, being referred to, restored the amount of standing deposit to Deposit Account and issued instructions to the staff not to change the printed number on the receipts but to prepare fresh receipts in case of mistakes and to make out receipts in copying pencil.

M.C.A.3633/V
7-5-1943

Although the quarters constructed for Chemist, Inspector, and Gas Engineer at the Dadar Purification Works were occupied by them from 1st February 1943, 1st March 1943 and 15th February 1943 respectively, their relative demands for rent and electric installation charges were not taken in the Rent Demand Register. On a reference by audit, the needful was done.

M.C.A.3620/V
4-5-1943 & 10-11-1943

The revenue returns of the Assistant Engineer, Drainage for the year 1940-41 and 1941-42 were not received upto 31st December 1943. In the returns for 1942-43 for the three quarters ending 31st December 1942 no account was rendered in respect of supervision charges of Private Works Bills. This being pointed out, the City Engineer explained that the account of supervision charges for Private Bills would be rendered from 1st April 1943 as no account was maintained by the Drainage Office till then. As regards the revenue returns for the years 1940-41 and 1941-42, their submission to audit was waived by the Commissioner.

M.C.A.4085/V
31-12-1943

In the Rent Demand Register for Chawls at Love Grove Pumping Station a cooly working under A. E. Maintenance (G Ward) was shown to have vacated a room on 1st April 1941 leaving arrears of Rs. 3 which have since been written-off. A number of rooms were shown vacant in the register for a long time some from 1st April 1941. To an audit query on the question of these vacancies the Mechanical Engineer replied that since then some 19 rooms were already occupied and that only 2 rooms were kept vacant for emergency purposes.

M.C.A.4088/V
3-1-1944

It was mentioned in the report of 1941-42 that several deposits in respect of revenue demands were found outstanding in the Deposit Register and their relative demands were not shown in the Demand Register. As a result of audit action out of 33 cases of outstanding deposits, 18 cases have since been adjusted, in one case refund is proposed, three cases are treated as security deposits, and the remaining eleven cases are still outstanding due to non-preparation of agreements etc.

M.C.A.2307/V
10-11-1943

City Engineer's Building Department.

Stall-boards and weather frame projections in front of shops Nos. 5 to 10 of Vazir Building on plot No. 37 at Sandhurst Road were in existence for a long time, but no action was taken either for recovery of fees or for their removal on the ground of turbulent nature of the shop-keepers. The plot was re-entered by the Municipality on 31st January 1939 and yet action was delayed till January 1943, when the projections of shops 5 to 8 were brought on the Register. The projections of the remaining shops were not accounted for in the Demand Register. The City Engineer stated that there was a number of stall-board projections over foot-paths in the City for which fees were not paid. He further explained that the stall-boards attached to these shops were first noticed in July 1941 and action for their removal was subsequently taken. In August 1943 the Commissioner however, decided to allow these projections on certain conditions. The projections of four of the shop-keepers, who agreed to abide by the conditions and paid fees, were taken on the Register, while the owner of shops No. 9 and 10 did not comply with the conditions till 14th January 1944, and the demand for fees could not be shown in the register till the Commissioner's orders were received. They have since been taken on the Register.

M.C.A.4230/V
31-3-1944

It may be observed here that the building is situated on such a prominent junction like Bhendi Bazar and not far from the Ward Office at Guzar Street, and yet the projections were noticed by the Department only in July 1941; and the fees for the period prior to 1st January 1943 were lost to the Municipality.

From the correspondence it also appears that nearly 550 unauthorised stall-boards exist in this section alone for which the Municipality cannot take any action as can be seen from the following extract of the City Engineer's note No. C.E.S.R. 3893, dated the 2nd December 1943.

"......There are several stall-boards which do not pay fees. When the scheme for levying fees on stall-boards was started it was intended to tackle certain areas in the first instance and expand them by appointing additional staff from time to time. Accordingly for the first few years staff was gradually increased to tackle more areas. Since 1938 no increase in the staff has been proposed as a feeling was gaining that the City should be cleared of all the stall-boards by increasing the staff not for the purpose of increasing the revenue but to put a stop to the practice of granting permission to project stall-boards on payment of fees. This question has still remained undecided by the Corporation.

In the meantime the staff was instructed to extend the area of their action and they have gradually done so. In the beginning, where the localities were known to be very difficult to deal with, they were omitted from action as it was feared that any action taken against such stall-boards would result in a breach of peace of the City. Such stall-boards were tolerated in the beginning and many of them have by this time been brought under action.

As per Municipal Commissioner's latest orders no permission for a fresh stall-board is being granted with the result that when unauthorised stall-boards are detected it is not possible to give permits. This has added to the difficulty of working......"

It may be remarked that the existence of such a large number of unauthorised stall-boards being tolerated by the Municipality because of the reported turbulent nature of the shop-keepers is undesirable as it amounts to injustice to the other peaceful businessmen who pay the fees from year to year to the Municipality for such occupations.

In the circumstances it seems desirable that lists of unauthorised stall-boards existing in each section and ward in the City should be drawn up and submitted to the Corporation, for their decision whether in view of the difficulties explained by the City Engineer, permits should not be issued to avoid the revenue loss occurring to the Corporation.

M.C.A.3233/V — 23-11-1942

In the last year's audit report it was mentioned that several deposits received in respect of gallery etc., projections fees for Improvement Schemes Account during the period between 1910 and 1929 were shown outstanding in the Deposit Register of the Department. As a result of audit action all these outstandings were cleared from the deposit account by credit to "Unclaimed dues and deposits."

M.C.A.3689/V — 3-6-1943

In the Demand Register a demand of Rs. 2,158-4-0 for building materials sold during 1940-41 was outstanding, and the relative sanction for sale was also not noted. The City Engineer explained that the amount was paid under deposit and adjusted on 19th March 1941, but inadvertantly the posting was omitted to be taken in the Demand Register. The needful was done in the matter.

M.C.A.3752/V — 7-7-1943 & M.C.A.4144/V — 29-1-1944

Demands for gallery etc., projections fees were shown on recovery basis in the demand register instead of on permit basis. The demands for Surveyor's licence fees were also shown on recovery basis without any reference to licence numbers and the year to which they were issued. Reference being made to the City Engineer the needful was done.

M.C.A.3712/V — 23-6-1943

In thirty three cases of gallery etc., projections, which were sanctioned by the Commissioner during the period from 1919 to 30th September 1942, permits were not issued upto 31st March 1943. As a result of audit query, in 25 cases permits were issued and the fees amounting to Rs. 75,356-12-4 were either recovered or adjusted. In the remaining 8 cases permits have not been issued as either the constructions were not undertaken or the legal formalities were pending.

M.C.A.4155/V — 8-2-1944

In December 1941, services of three employees of the Department were requisitioned by Government for A. R. P. Work, and they were relieved on 11th January 1942. Out of the three employees two reverted back to their posts in the Municipality on 1st April 1943 while one continued on deputation. No sanction of the Corporation was found obtained for continuation of his services on deputation as from 1st October 1943. In the Demand Register of the department the account of leave salary contributions recoverable from Government was shown on recovery basis and that too in respect of the two employees who reverted back to their posts. The entries of demand and recoveries in the register were also not attested by any responsible person in the Department. In the case of the employee remaining on deputation no demand was noted and recovered. Reply to audit reference made to the City Engineer is awaited.

M.C.A.3678/V — 25-5-1943

Twenty four items in the Annual Ground Rent Register were outstanding on 31st March 1943 some of which pertained to the years 1935 and onwards. The City Engineer explained that in 15 cases recoveries had since been effected; in four cases the amounts would be adjusted either from set-back compensations payable to the parties or from the deposits, and papers for five cases were sent to the Legal Assistant for filing suits against the parties.

E.B. 1521 — 22-4-1943

Weather-frame projection at Building Nos. 3-7, Sayed Mukhi Street was in existence for the last 80 years as admitted by the party, but the notice under Section 308 was served on the party only on 10th July 1942, and the same was brought on books with the Deputy Municipal Commissioner's sanction dated the 22nd April 1943. This indicates carelessness of the supervising staff who are expected to inspect and report the existence of such projections.

M.C.A.4164/V — 10-2-1944

A recovery of Rs. 5 was found effected by the Architectural Branch without issuing a receipt as they are are not authorised to pass receipts. It is not correct to allow a Branch Office to collect money when it is not authorised to pass receipts.

The City Engineer's reply is awaited.

M.C.A.3776/V — 15-7-1943 & 4-7-1944 & M.C.A.3850/V — 28-3-1943

Several cases were noticed where country tiles and building materials of demolished buildings were retained for Municipal use and not sold. Credit to Revenue has to be given by debiting the cost of the materials to works on which they are used. No credits were found given to Revenue on this account except in one case and no demands were also noted in the Demand Register. The City Engineer explained that necessary adjustments had since been carried out. However, omission noticed in one case has been referred to the City Engineer for which reply is awaited.

M.C.A.4240/V — 27-3-1944

The examination of the quarterly returns for the period ending 31st March 1943 showed the following defects:—

Some demands omitted from the registers were found noted when recoveries therefor were noticed on the Chief Accountant's books while reconciling the figures. The noting of omitted demands was also mechanical as some of them which did not pertain to the deparmtent, but were erroneously posted in the Chief Accountant's books were also taken as demands on the Registers. The postings were also made without voucher numbers etc. The account of supervision charges was also unreconciled with the Chief Accountant's books, and was not checked by the internal audit staff of the Chief Accountant.

Reply to audit reference is still awaited.

Licence Department.

M.C.A.2744/V — 2-11-1942

As reported last year there were certain defects in the system of collections in the department to which due attention of the Commissioner was drawn. He has accordingly taken steps to divide the functions of receiving collections and passing receipts between the cashier and a clerk by appointing a new clerk from 3rd April 1944.

M.C.A.3634/V — 7-5-1943

Recovery of licence fee was not found made according to the quantity of materials shown stored in a demand notice of E/Br. Ward. The notice was issued on the basis of particulars shown in the Tabulation Register of the previous year, without actual verification of the quantity. It was explained by the department that the quantity shown in the demand notice was incorrect and inadvertantly put in by the Ward Inspector who was warned to be more careful in future.

M.C.A.3944/V — 5-10-1943

In a demand notice of E/Br. Ward the licence fee was charged at Rs. 5 instead of Rs. 10 for keeping timber on an area of 1,000 square feet. This being pointed out a supplementary notice of demand was issued and the under-charge of Rs. 5 was recovered from the party on 5th November 1943.

M.C.A.4026/V — 30-11-1943

Test check of the Encroachment Register of the Senior Lorry Supervisor showed constant changes in entries, many corrections in weights of articles and an entry for articles seized, struck off without explanation. Since no article, once seized, weighed and taken on the register, is returnable without recovering encroachment charges, except with the orders of the Commissioner, such alterations in the book of prime entries are irregular. The Superintendent of Licences explained that the defects were partly due to clerical errors and partly to some misunderstanding on the part of the Supervisors at the time of delivery of goods removed as encroachments. The Commissioner ordered that all the registers should be properly maintained and postings therein correctly and neatly taken.

M.C.A.4156/V — 9-2-1944

As referred to in the last audit report the Commissioner issued instructions to keep the Squatters Fees Registers in the manner required by Audit and Summary Registers were introduced as from 1st April 1943, showing the position of demand, vacancies, recoveries and arrears for each ward. A test check of the Summary Registers for the month of June 1943 showed that (1) no uniformity was observed by different wards in working out demand and vacancies; (2) opening arrears of the month did not tally with the closing arrears of the previous month and (3) the registers were not checked either by the Head Clerk or by the staff of the Chief Accountant's Office. Reply is still awaited.

Market Department.

M.C.A.2865/V — 3-6-1942 & 24-6-1943

The department used to recover fees daily for permission to sell cocoanuts in the Municipal Markets at Rs. 2-8-0 per day as against the minimum sanctioned scale of Rs. 10 for a period not exceeding four days as mentioned in the last report. As a result of audit action the Commissioner has issued orders that serious notice will be taken of any departure from the fee prescribed under Standing Committee Resolution No. 754, dated the 5th October 1938.

M.C.A.2509/V — 19-12-1942

As reported last year 13 squatters of the reserved areas around Erskine Road Market hawking dry masala, who were allowed to occupy some of the vacant stalls inside the market on a monthly rent of Rs. 3 per stall had run in heavy arrears of rent and they also did not pay the licence fees. The Superintendent of Markets has since recovered the arrears from 10 dry masala sellers and the remaining three, who vacated the stall without paying the dues, were put on the black list.

M.C.A.1941/V — 22-4-1941 & M.C.A.4022/V — 26-11-1943

As reported last year, out of six shops in the Fergusson Road Market quarterly rents have been fixed only for three and the remaining three are treated as squatters-spaces instead of as shops. The treatment of stalls where provision exists for keeping the articles at night, and locking them up as mere squatters-spaces for which rents are recoverable only for the days of actual occupation, lacks uniformity, and may give rise to malpractice. The Superintendent of Markets was therefore, asked to bring all shops in the different Municipal Markets on the Rent Demand Register. In reply he stated that there were no other shops that were treated as squatters spaces in any Municipal Market. It is however, observed that for three stalls in the Dadar Market, occupied by a seller of glass bangles, fees were recovered as squatters spaces for selling vegetables. The Superintendent of Markets has been asked why the occupant of the stalls was treated as squatter selling vegetables, what was the basis of recovery for these stalls, whether the squatter was being allowed to keep his materials in the Market after market hours and whether any fees were charged therefor etc. Reply is awaited.

M.C.A.1132/V — 27-5-1942 & 10-11-1943

The question of licence fees amounting to Rs. 1,64,108 of the Byculla Private Market having been kept in the deposit account was referred to in the previous Audit Reports. During the year under review there was no change in the position. The Superintendent of Markets explains that as the owner has been evading to carry out the Municipal requisitions no licence is still issued and the fees are allowed to remain in the Deposit Account. The question is pending since the year 1936-37 and needs to be expedited.

M.C.A.3037/V — 21-8-1942 & 3-5-1943

The Registers such as Main Cash Book, Monthly and Annual Ground Rent Registers, Stallage Rent Demand Registers, Licence Fee Demand Register, etc., were examined in May 1943 and were found either untotalled or totalled in pencil, not attested by the Superintendent of Markets and not checked by the internal audit staff. Explanation of the Department was called for and recorded.

M.C.A.3697/V — 12-6-1943

Mutton stall No. 101 of the Erskine Road Market appeared to have been put to auction about four month's after it was vacated. Since the vacant stalls are required to be put to auction every week the Superintendent of Markets was requested to explain the delay. He explained that the stall was put to auction from time to time but no decent bid was received. When the Superintendent of Markets was requested to produce the weekly auction reports it was found that no record was kept. The Commisssioner issued instructions that Head Inspectors should keep full notes of auctions held in exercise books, which should be made available when called for audit inspection.

M.C.A.3699/V — 12-6-1943 & 12-12-1943

The procedure of showing the rent for stalls relating to notice period as demand in the register was brought into effect from the 3rd quarter of 1941-42, but in three cases such demands were not shown in the year 1942-43. The Test Audit Officer explained that as the accounts were closed no further action could be taken in the matter. The Commissioner issued instructions that in future the procedure laid down should be strictly followed and suggested that the question of showing the demand in these three cases may be dropped.

M.C.A.4104/V — 10-1-1944

Transfer of stall No. 42 in the Erskine Road Market was sanctioned on 24th March 1943 on an enhanced rent of Rs. 30 per quarter, and yet the relative demand at the enhanced rate and the demand for transfer fee were not shown in the Stallage Rent Demand Register of 1942-43. This being pointed out the necessary demands were shown in the register of 1942-43 and the outstanding Municipal dues amounting to Rs. 1-5-0 were recovered in 1943-44.

M.C.A.3762/V — 12-7-1943

In the account books maintained at the Bandra Slaughter Houses it is noticed that (1) the amounts received under deposit for rent and Municipal taxes were not adjusted, (2) the demands for Municipal taxes recoverable from the contractors were not noted in the demand Register, and recoveries in respect thereof were not effected in due time; (3) only ground rent was recovered for sheds of two tea-shops in the compound of Bandra Slaughter Houses, while rent and Municipal taxes were being recovered in respect of sheds of Hay & Blood contractors; (4) though the contract

period had expired and the firewood shed was dismantled no sanction was obtained for fixing the monthly rent of Rs. 5-10-0 which was recovered from the blood contractors Messrs. Anderson Dawn & Co.; (5) the present blood contractor has constructed a shed bigger than that of the previous contractors, yet the demand for ground rent has remained constant at Rs. 11 per month, and no rent has been recovered for extra land occupied for a cement concreted bed used for drying boiled blood; (6) Receipts to be signed by the Supervisors were signed by fee clerks; (7) Recovery of chawl rent was not regular from all the tenants and (8) the Rent Demand Register was maintained by a person making recoveries. Reply is still awaited.

M.C.A.3706/V — 23-6-1943

In six cases of shifting of outside meatshops from one site to another a nominal transfer fee of Re. 1 was charged in each case. No provision, however, exists in the Schedule of Fees sanctioning a nominal transfer fee for change of business place, which requires extra inspection etc., regarding sanitation and other matters on the part of the Municipality. On a reference made by audit the Superintendent of Markets stated that the sanction of the Standing Committee and the Corporation was being applied for the levy of fees in connection with transfers and in connection with the shifting of outside meatshops from one site to another.

M.C.A.3705/V — 23-6-1943

In the account books of the Market Office it was noticed that (1) yearly demands for ground rent for electric installation from 1939-40 to 1942-43 were taken in the year 1942-43 when the recoveries were made; (2) transfer fee for stall No. 40 in the Vegetable Section of A. C. Market was not recovered although the transfer was sanctioned in May 1942; (3) Buffalo slaughter fees recoverable from the Kurla Municipality on or before the last day of the succeeding month as per agreement were paid after several months; (4) a fee for giving training in meat-section was taken under deposit instead of to revenue and (5) postings of recoveries made in the demand registers were according to the dates of remittances to the Chief Accountant and not as per the dates of receipts passed to the parties. Reply is still awaited.

M.C.A.2021/V — 22-5-1942 & 6-1-1943

In the last Audit Report it was mentioned that 43 tenants of chawls and sheds in the compound of the Bandra Slaughter Houses were in arrears of rent for periods ranging from two to ten months. During the year, the outstandings as on 31st March 1944 were Rs. 429-15-0 as against the figure of Rs. 463-2-0 on 1st April 1943. The recoveries were found not effected regularly from all the tenants. It may be remarked that these arrears are running from the past several years.

M.C.A.3388/V — 3-2-1943 & 8-11-1943

A reference to the last year's report will show that in order to establish some sort of check and control over the stalls for which there are no recoveries and which are shown in the registers as vacant, audit advised the Commissioner to introduce a procedure of submission of quarterly vacancy reports by the department after they are duly tallied with the monthly reports submitted by the Inspectors, with remarks of test checks carried out by the Superintendent of Markets and the Test Audit Officer. The reports for the year 1941-42 were received almost at the end of the year 1942-43. It was then noticed that they were mere copies of the gaps, meaning vacancies, shown in the Demand Register and not the summary of the monthly vacancy reports. Explanation of the Department was called for with regard to several discrepancies and irregularities noticed in the monthly and quarterly vacancy reports. Reply is still awaited. It may be observed that the submission of the statements and their scrutiny by the Test Audit Officer should be immediate after the close of each quarter if they are to serve the purpose for which they are prepared.

Estate Agent's Department.

The main items of receipts of this Department are (1) Rents from Municipal and *ex*-Trust Properties, (2) Sale of rights, (3) Rents from vacant lands, (4) Rents from permanent leases, (5) Premiums on permanent leases, (6) Sale proceeds of Municipal lands and (7) Receipts from gallery projections, encroachments, etc.

In this connection the following audit observations were made in the last year's audit report:—

The registers of demand, collections and arrears in respect of items Nos. 5 and 7 opened since the year 1940-41 were not found totalled, balanced and reconciled at the close of the year. No summary demand register was also maintained for item No. 6, *i.e.*, sale proceeds of Municipal lands and therefore, the figures in respect thereof were not taken in an abstract form showing the total demand, collection and arrears.

The attention of the Department being called to this by the Municipal Commissioner, the Estate Agent in his note, dated 28th July 1944, offered the following explanations for not having been able to carry out the audit requirements properly:—

"These registers were first introduced in 1940 and are being written up since then. The difficulties experienced in meeting the audit requirements are explained below:—

(1) Amongst the payments that have been received since 1940-41 there are many which are towards the satisfaction of the demands made in the previous year and are not shown on the register.

(2) The figures of demand noted in the sanctioned register maintained in the Lease Branch invariably differs from the actual amounts of demands as the demands mentioned in the Improvements Committee's Resolutions are approximate and liable to change.

These difficulties have the effect of showing the payments in some cases more than the demand and in others less.

The Deputy Municipal Commissioner (Improvements) who was made aware of these difficulties has instructed us (Estate Agent's Department) to open a register with the items of outstanding premium and enter therein new demands when they are actually created and settled. Efforts are being made to open registers on these lines."

It is hoped that the instructions of the Deputy Municipal Commissioner (Improvements) will be carried out early by the Department with scrupulous regard to accuracy so as to submit to audit the accounts of these transactions duly closed and balanced.

Repeated attention is being drawn from year to year to the fact that in the audit reports the figures of revenue collections made during the financial year were not being reconciled with those of the Chief Accountant's registers and submitted to audit upto the time of writing the audit reports. This year, too, no reconciliation statement for any quarter of the year has so far been received by audit, although it appears from the correspondence between the Chief Accountant and the Estate Agent that submission of reconciliation statement for the previous years which had run into arrears have been waived by the Municipal Commissioner and those for the quarters ending 30th June 1943 and 30th September 1943 and 31st December 1943 were submitted by the department to the Chief Accountant (*vide* the Estate Agent's note dated the 28th July 1944).

The Department has also offered the following explanation in their aforesaid note on the observations made by audit on this question in the last year's audit report.

"So far as this Department is concerned, the work of reconciling the accounts of this office, with those in the Chief Accountant's books has been brought upto date by preparing statements for all the quarters ending December 1943, which have been sent to the Chief Accountant for verification.

"According to the system in vogue, the adjustments of deposits and House Rent Allowance Bills have got to be posted in the Demand and Arrears Registers in the very year in which the adjustments are carried out in the Chief Accountant's books before the accounts of the year are closed. The work of closing the accounts, therefore, depends on the intimations from the Chief Accountant's Department of adjustments carried out in the books of that office. Such intimations are not being regularly received with the result that the accounts for the month of March remained to be closed for a long time. It may be stated that there are 250 items involving over a lakh of rupees in which intimations of adjustments are still awaited from the Chief Accountant's Office."

It may be observed here that time is the essential factor in audit and the delay caused in submission of accounts loses a great deal of the advantage that may accrue from the early scrutiny of the transactions and the Chief Accountant will also, therefore, see that the adjustments put up by the Departments are taken on the book expeditiously and intimated to the departments so as to enable the Estate Agent as well as his own office to submit reconciliation statements duly verified within a reasonable time after the close of each quarter.

Audit has been making persistent efforts since the year 1938-39 to check the tendency of allowing the arrears to accumulate by calling for information and explanations from the department for scrutiny by forwarding to it periodical lists of arrears of selected cases. During the year under report a number of such statements were drawn up and sent to the Department, but most of them together with some of the previous years still await final disposal. The Deputy Municipal Commissioner (Improvements) has been pressing the Departmental Officers and staff to take action by circulars, instructions and warnings on the defects shown by audit and as a result, improvement is noticed in the work of collection of the Department.

The cases of past arrears, specially of vacated tenancies, do not seem to receive as much attention as they ought to as will be seen from some of the audit objections mentioned hereafter. The amount of such past arrears of vacated tenancies for "Bad and Doubtful Debts" was Rs. 2,96,528 on 1st April 1943. To this was added a sum of Rs. 67,274 on account of fresh arrears accrued during the year 1943-44 bringing the total outstandings to Rs. 3,63,802. Against this the recovery effected by the Rent Collecting Staff, including adjustment of deposits etc., during the year 1943-44 was Rs. 53,294 only.

There is also an urgent necessity of clearing the irregularities which continue for the past several years in connection with the sale of acquired lands at Worli Koliwada. A note of the audit objection appears hereafter in this report.

Outstanding Audit Notes.

Although every query or observation made by Audit has to be promptly disposed of by the Officers concerned, as laid down in Schedule EE of the Municipal Act and paragraph 9 of the Municipal Audit Procedure Rules sanctioned under Corporation Resolution No. 4787, dated the 4th September 1939, out of the 371 notes issued during the five years ending 31-3-1944 replies received upto the date of writing of this report were only to 212.

This year as usual the lists of outstanding audit notes are not attached owing to scarcity of paper.

During the year there were several instances in which the papers were reported to be lost when called for by audit. Several items of amounts of arrears were also found written-off with the sanction of the Standing Committee, although audit references in connection therewith were pending disposal in the Department. It may be remarked here, this year too, that the items included in the write-off statement submitted to the Standing Committee for sanction do not appear to undergo proper scrutiny at the hands of the Departmental Officers before they are recommended for write-off and the remarks such as 'Parties not traceable' etc., are mechanically put thereagainst. In this connection the Deputy Municipal Commissioner (Improvements) has issued instructions to the staff to get these items verified properly and it is hoped that such irregularities will be scrupulously avoided in future.

Non-execution of agreements.

The following are some instances of temporary lettings allowed to run for years without executing agreements in respect thereof:—

A plot of land admeasuring 210 square yards in case No. 109, Scheme 47, was given on ten year's lease under Improvements Committee Resolution No. 290, dated the 1st October 1934 to Messrs. Gulamhussein Sadruddin & Co., at Rs. 70 per month. Although more than 7 years had elapsed since then, no agreement was executed upto the writing of this note. The firm was in arrears of Rs. 770 as on 1st July 1942.

M.C.A.2962/III
24-7-1942

The Estate Agent replied that since the plot had been leased permanently, there was no necessity then of executing the agreement.

Set-back land at No. 273, Abdul Rehman Street was leased under Standing Committee Resolution No. 6377, dated the 16th October 1929, to Mr. Lookmanji Thaverbhoy for construction of a temporary shed on a monthly rental of Rs. 40. Thereafter the party died, but the lease is not yet transferred to his legal heirs as per report of the Assistant Engineer (B South), dated the 17th March 1937. The Estate Agent has been requested to do the needful on 16th November 1942. The agreement, however, has not been executed so far.

M.C.A.3079/III
9-9-1942

Under Improvements Committee Resolution No. 368, dated the 5th November 1935, vacant land at Mahim was leased to the Trustees of Sunnat-al-Jamat who have not yet executed the agreement, although more than 9 years have elapsed. Reply to audit note is awaited.

M.C.A.3464/III
27-2-1943

Under Improvements Committee Resolution No. 28, dated the 7th April 1936 permission for access from Municipal Tulsi Pipe Line was granted to Mr. Brijlal Ramjidas on payment of Re. 1 per month, but no agreement is yet executed.

M.C.A.3503/III
12-3-1943

The necessary tenancy agreement in respect of vacant land let in Potters' Camp at Dharavi from 1933 is not still executed.

M.C.A.918/III
18-3-1940

Reply to audit note is awaited.

Delay in submission of vacancy and occupancy reports.

44 cases of late submission of vacancy and occupancy reports of Municipal vacant lands were referred to the Estate Agent. Further queries of last year regarding the following two instances of serious delay have not yet been replied to :—

M.C.A.2875/III
12-6-1942

(1) One Brijlal Ramjidas occupied a piece of vacant land at Mahim Section for which the occupancy report was submitted after more than 7 years, and

(2) One Santkumar occupied a piece of vacant land in scheme 56, for which the occupancy report was submitted after 2 years.

M.C.A.3203/III
6-11-1942

Regarding occupation of vacant land at Pydhoni Road by one Mr. Usman Juma, reported last year, the Estate Agent replied, after over three years that the above land was conveyed to Rameshchandra C. Mehta on 26th January 1939, but the transfer remained to be recorded in the demand register all these years through inadvertance.

14 cases of late submission of vacancy reports were referred to the Department. Further reference calling for papers regarding 2 items has not so far been replied to.

M.C.A.2355/III
29-10-1941

Five cases of delay in vacancy and occupancy reports were referred to the Estate Agent, who replied that as the question of sub-tenancies etc., were involved, the reports were delayed. He has, however, instructed the Rent Collecting Staff to submit the reports within 8 days of the occurrence of vacancies and occupancies.

M.C.A.3988/III
3-11-1943

18 cases of delay in the submission of occupancy reports were referred to the Estate Agent. Out of them the following are the instances of abnormal delay :—

M.C.A.4228/III
31-3-1944
&
M.C.A.4229/III
31-3-1944

(*a*) Mr. J. S. Mehta occupied a piece of Municipal vacant land at Parbhadevi, Dadar on 1st July 1942 at Rs. 35 per month and the occupancy report was submitted as late as 16th July 1943.

(*b*) Mr. J. A. Dhuru occupied 108 square yards of vacant land at Mahim on 1st April 1941 at Rs. 9 per square yard per year for which the occupancy report was submitted as late as 28th September 1943.

(*c*) Mr. Sultan Mahomedkhan Pathan was granted permission for access to his property at Lower Parel on 1st June 1939 at Re. 1 per month and the occupancy report thereof was submitted as late as 3rd January 1944.

(*d*) Messrs. Ratansi Dharmji and others occupied vacant land at Masjid Station Road on 1st July 1943 at Rs. 118-3-0 per month, occupancy report was submitted on 3rd December 1943.

(*e*) Mr. Damji Lalji vacated Municipal land at Masjid Road Station on 1st July 1943, the monthly rent of which was Rs. 118-3-0, whereas the vacancy report was submitted on 13th December 1943.

(*f*) Mr. Sheriar Sham Irani vacated Municipal land opposite Victoria Garden on 1st August 1943, the monthly rent of which was Rs. 333. The vacancy was reported on 23rd September 1943.

The reply to audit query is still awaited from the Department.

Breach of provisions of the Act.

As reported last year, proper information regarding the arrears due from Messrs. Laxmi Properties, Ltd., for the right of access over Tulsi Pipe Line was not available in the Estate Agent's books and Corporation's sanction for grant of lease, as pointed out by the Legal Assistant was not taken.

M.C.A.532/III
29-5-1941

The Estate Agent replies that arrears for the period from 1st June 1922 to 31st January 1943 were recovered by the Hydraulic Engineer and Laxmi Properties were asked to pay arrears of Rs. 238 for the period from 1st February 1923 to 30th November 1942. The sum of Rs. 61 paid by the Architects of Laxmi Properties Ltd., without giving their client's name was wrongly credited to the account of Messrs. Fazalbhoy Mills Ltd., the former tenant who went into liquidation. The Municipal Commissioner's sanction was, therefore, obtained to reduce the arrears due from the above company. The Municipal Commissioner also opined that the sanction of the Commissioner and not of the Corporation, is sufficient for grant of lease, as the tenancy was a monthly one.

Breach of Municipal Service Regulations.

One Govind Kuka, a Municipal sweeper, was given a rent farming contract of 20 rooms in the Mahar Chawls at Rs. 7-3-0 per month per room, less a rebate of 10 per cent. Although Govind Kuka recovered rents in advance practically from all the tenants, he did not pay the Municipal dues and the arrears accumulated to Rs. 2,752 as on December 1942, which are being recovered in monthly instalments of Rs. 25.

M.C.A.3591/III
19-4-1943

Granting of a rent farming contract to a Municipal employee is in contravention of rule 14 of the Municipal Servants' Conduct and Discipline Rules. Moreover, the non-recovery of the arrears till they accumulated to a sum which is apparently beyond the capacity of a Municipal sweeper to pay is a glaring instance of inaction on the part of the staff which very often results in loss of Municipal revenue.

In the present case, too, it is doubtful whether the recovery at the rate of Rs. 25 per month is at all sufficient to cover up the arrears.

Arrears Written-off.

The following cases of arrears referred to the Department still remain unreplied :—

Items of arrears of rents written off although audit references were pending thereagainst with the Department.

M.C.A.3320/III
6-1-1943
&
M.C.A.2158/III
4-11-1942
25-11-1942
26-11-1942

Suggestions made to the Estate Agent to prevent items of arrears going to the Standing Committee for write-off without proper investigation.

M.C.A.3831/III / 14-8-1943 & M.C.A.3384/III / 11-3-1943

Arrears of Rs. 90-2-0 due from Messrs. Daddy Billimoria & Co., written off with the sanction of the Standing Committee on the ground that the firm was untraceable, although the firm appeared to be on the approved list of the City Engineer's Department and transacting business at 55, Apollo Street, Fort, Bombay.

M.C.A.1525/III / 27-11-1940

As reported last year, an amount of Rs. 21-12-0 due from a firm which was paying Rs. 225 per month was recovered by the rent collector, after it was written-off by the Standing Committee on the report from the rent collector and the divisional officer that the party is not traceable. The Estate Agent has also admitted that remarks "party untraceable" and "papers missing" have become more or less mechanical. In the circumstances a query has been made to the Municipal Commissioner enquiring as to what steps are proposed to be taken by the Department to prevent items of arrears going to the Standing Committee for write-off without proper investigation.

M.C.A.3384/III / 11-3-1943

Arrears of Rs. 95 and Rs. 15 due from Messrs. Jehangir B. Panjigara & Dorabsha J. Siganporia for the periods ending September 1937 and December 1937 for the occupation of rooms 4-6, 4th floor, case 61, Cawasji Patel Street and room 9, 6th floor, case 22-24, Gogha Street respectively, were written off on the ground that the parties were not traceable.

M.C.A.3598/III / 22-4-1943

Audit query pointing out the addresses of the parties in the letting papers still remains unreplied.

Rs. 46-8-0 at Rs. 20 per month for the period ending 10th December 1937 due from one Salimulla Hidayatulla for occupation of shop No. 1, ground floor, block 1, New Mominpura Chawls was written off on the ground that the tenant was not traceable. It, however, appears that a man of similar name is at present occupying room 99, 2nd floor, in the same block of new Mominpura Chawls.

M.C.A.3708/III / 23-6-1943

The Estate Agent's reply to audit query in the matter is awaited.

Rs. 85-10-0 as arrears of taxes and Rs. 21-10-0 of court costs due from Mr. Pyarelal Permanand Verman for the occupation of 100 square yards of vacant land in Scheme 60 were written off as irrecoverable with the remark that the party was not traceable. Audit pointed out that the party held several occupations, in two of which in scheme 57, he was allowed to run into heavy arrears.

M.C.A.3946/III / 10-7-1943

The Estate Agent replied that the Rent Collector working in Scheme 66 was not aware of the occupation of the party in Scheme 57 and hence the arrears were not recovered. Instructions have since been given to the rent collecting staff to make proper inquiries before recommending the items of arrears for write off. The Deputy Municipal Commissioner (Improvements) also suggested that the names of all the new tenants should be submitted to the Estate Agent's Accountant, who should certify that there are no arrears due from any of them.

Audit made a further reference that the amounts of written off arrears should be recovered early.

No advice is still received.

While test checking the statement of arrears of write-off for the quarter ending September 1937, the Department could not furnish audit with the relevant papers in connection with the amounts written off. The Estate Agent explained that the arrears pertained to a very old period and therefore the papers were not available.

M.C.A.3572/III / 13-4-1943

Arrears of rent—Recoveries at the instance of audit.

Serial No.	Audit Note No. and Date.	Particulars of tenancy.	Name of the tenant.	Rent per month.	Amount recovered	Receipt No. and date.	Remarks
				Rs. a.			
1	M.C.A. 3302/III / 28-1-1942.	Scheme 52, 1st floor	Raghunath Hanumanta.	7 0	Re. 1.	253/68 of 13-3-1943.	
2	M.C.A. 2316/III / 8-10-1941.	Hornby Road Vacant land 155 square yards for stacking building materials.	Messrs. R. M. Engineer & Co.	28 8	Rs. 50-4-0 (for the period ending 19-7-1937).	4392 of 29-2-44	
3	M.C.A. 3726/III / 28-6-1943.	Sale of right of cultivation of lot No. 11, Scheme 56	Rawji Raghoo.	...	Rs. 5. (Demand of Rs. 25 shown in D.R. instead of Rs. 30.)	4070 of 29-7-43	
4	M.C.A. 2215/III / 3-1-1942.	11 square yards of land in case 53, Scheme 6.	Mahomed Yusuf Mahomed Shaffi.	1 0	Rs. 6. (From November 1941 to April 1942).		Being a gap of 6 months.
5	M.C.A. 1340/III / 7-9-1941.	Hornby Ballard Scheme, Fort Section, 60 square yards of vacant land.	Messrs. Surveyor & Co.,	...	Rs. 24-7-0. (For the period ending 21-5-1938).	Adjusted under Vr. No. 6958 of 22-11-1940.	
6	M.C.A. 1561/III / 10-12-1940.	Scheme 56, Plot 154-C, 725 yards of vacant land.	Kasamkhan Rajabkhan.	...	Rs. 64-6-0. (For the period ending 30-9-1936).	281/4546 of 4-2-1942.	
7	M.C.A. 3647/III / 11-5-1943.	Chinchbunder Chawls, Godowns, Blocks 1 and 3.	Messrs. Tandur Shahabad & Co.,	46 0	Rs. 184. (For the period ending 1939-40 and 1941)	Adjusted under Vr. No. 55537 of 29-1-1944.	
8	R.A. 72 / 16-1-1939.	Agripada 12 Blocks	P. F. Fernandes.	4 15	Rs. 32-5-0. (Pertaining to period 1934 to 1936).		
9	M.C.A. 3592/III / 19-4-1943.	Victoria Road Case No. M. 276, Rooms 8-15 and 19-20.	B. G. Acharya.	...	Rs. 68. (Pertaining to 1938).	*Vide* No. 43920 of 20-4-1943.	
10	M.C.A. 637/III / 12-10-1939.	Vacant land at the junction of Worli Seaface and Worli Road.	Messrs. Modern Advertising Bureau.	...	Rs. 250. (For the period ending August 1938).	Recovered in monthly instalments.	
11	M.C.A. 2983/III / 3-8-1942.	Sale of rights.	Haji H. Narialwala.	...	Rs. 1072-15-0.	Recovery by way of adjustment.	
					Total Rs. 1,758-5-0		

Arrears of Rent (Permanent).

M.C.A.2939/III — 11-7-1942 & M.C.A.2342/III — 16-10-1941

112 cases of heavy arrears of ground rent from lessees for 4 quarters and over were reported to the Estate Agent. Reply is still not received.

Arrears of rent (Temporary).

Replies to the following cases of heavy arrears reported last year are still not received :—

M.C.A.1261/III — 25-7-1940
(1) Arrears of Rs. 528 from Mr. R. S. Nikalje.

M.C.A.1280/III — 29-7-1940
(2) Arrears of Rs. 80-8-0 at Rs. 3 per month from Mr. Khara Baba.

M.C.A.1332/III — 23-8-1940
(3) Arrears of Rs. 918-5-0 and Rs. 12-8-0 from Mr. N. C. Patel and Mrs. Patel respectively. (Case compromised, Standing Committee Resolution No. 281 of 2nd June 1942).

M.C.A.1500/III — 13-11-1940
(4) 18 cases of arrears due from traceable tenants of 1937-38.

M.C.A.1660/III — 7-2-1941
(5) Arrears of Rs. 50 and Rs. 75 from one Bahadur Agnoo.

M.C.A.1239/III — 17-7-1940 & M.C.A.1659/III — 7-2-1941
(6) Arrears of Rs. 1,642-9-0 from Mr. B. R. Bhonsle for occupation of rooms in case 899/2, Scheme 57, and a piece of land in case 403 in the same scheme.

M.C.A.1542/III — 3-12-1940

One Bai Aminabai Shaikh Karim was in arrears of Rs. 294 at Rs. 6 per month for occupation of a piece of vacant land in Scheme 32. The Estate Agent replied that the tenancy was only an encroachment, which was removed long since, but the demand was inadvertantly allowed to remain in the Arrears Register, though it ought to have been withdrawn at that time.

M.C.A.1561/III — 10-12-1940

Three cases of outstanding arrears of vacated tenancies aggregating to Rs. 1,624-8-0 as under were referred to the Estate Agent on 10th December 1940 :—

(1) Plot 31, Scheme 41, Kasam Yakub, Arrears Rs. 808-3-0 at Rs. 36 per month for the period ending 26th January 1937.

(2) Plot 154-C, Scheme 56, Kasamkhan Rajabkhan, Arrears of rent Rs. 300 at Rs. 25 per month and Municipal taxes Rs. 159-5-0 at Rs. 6-7-0 per month and Court cost Rs. 137-0-0 for the period ending 30th September 1936.

(3) Bellasis Road Estate, N. H. Kamat, Arrears Rs. 220 at Rs. 55 per month ending December 1936.

The Estate Agent replied in September 1943 (*i.e.*, after about 3 years) that for item No. (1) the party had no assets and therefore no legal action was taken and the amount was written off under Standing Committee Resolution No. 707, dated the 12th September 1941, for item No. (2) the rent accumulated during the period of Hindu-Muslim Riot and the Mill-strike and for item No. (3) no papers were available.

M.C.A.1246/III — 17-7-1940

Mr. N. B. Godbole vacated a bungalow in Scheme 6, leaving arrears of Rs. 120 at Rs. 40 per month for the period ending June 1938. It appears from the papers that no action was taken for a period of 1½ years, although Standing Committee's orders were obtained to file a suit on 23rd November 1938.

Disposal of the following audit references by the Department is still awaited :—

M.C.A.1440/III — 9-10-1940 & M.C.A.2408/III — 14-11-1941
(1) Several cases of arrears over 6 and 9 months.

M.C.A.2183/III — 2-8-1941
(2) Arrears of Rs. 257-2-3 due from Messrs. J. A. Irani and Abdul Aziz.

M.C.A.2563/III — 22-1-1942
(3) Heavy arrears due from 39 tenants.

M.C.A.2817/III — 11-5-1942
(4) Arrears of Rs. 106-5-0 at Rs. 5-13-0 per month due from F. Pereria for occupation of room 33, 1st floor, block No. 6, Suparibaug Chawls.

M.C.A.2961/III — 24-7-1942
(5) 51 items of arrears of vacated tenancies for 1941-42.

M.C.A.2985/III — 3-8-1942
(6) The balance of Rs. 66-2-6 for the occupation of a vacant piece of land at C. P. Tank Road.

M.C.A.3006/III — 10-8-1942
(7) Heavy outstandings in respect of hoarding advertisements.

M.C.A.2731/III — 18-9-1942 & M.C.A.3110/III — 22-9-1942
(8) Cases of arrears covering a period of six months and over.

M.C.A.3103/III — 25-11-1942
(9) Outstandings written-off under S.C.R. No. 792, dated the 2nd September 1942, due from Mr. S. N. Shanbag, although a decree was obtained against him in respect thereof.

M.C.A.3251/III
3-12-1942
(10) Arrears of Rs. 3,387 as on 1st December 1942 for the occupation of Plot No. 2942 at Arthur Road Bridge at Rs. 132-12-0 per month.

M.C.A.3289/III
18-12-1942
(11) Arrears of Rs. 6,247-10-0 due from one party in respect of different occupations.

M.C.A.3290/III
18-12-1942
(12) Arrears in respect of departmental occupations in Block 1, Palton Road Chawls.

M.C.A.3310/III
5-1-1943
(13) Heavy arrears of vacated and running tenancies of a party.

M.C.A.2729/III
7-4-1942
(14) Outstanding riot taxes of 1936 due from existing tenants.

M.C.A.2428/III
26-10-1941
Seven items of heavy arrears of rent were reported last year. The Estate Agent replied that suit papers in two of the cases were not traceable. In respect of other two items of arrears, no departmental action was found taken for a long time and now they are reported to be not traceable.

In the case of arrears of Rs. 500 due from one Malik Odius Malik Hamidulla at Rs. 40 per month recovery of arrears is being made by instalments. In the remaining cases papers have been called for. The Estate Agent's further report is awaited.

M.C.A.2405/III
13-11-1941
Arrears of Rs. 120 and Rs. 95-3-0 from Mr. Sultan Bandeally and Messrs. Aziz & Co., respectively were referred to the Estate Agent. The reply showed that in the former case only two instalments of Rs. 2 each were recovered in June and September 1943 and in the latter case the amount was irrecoverable.

M.C.A.2769/III
24-4-1942
Twenty-four items of heavy arrears in respect of sale of rights were referred to the Department. The reply showed that 3 cases of arrears were adjusted against deposits and for the remaining cases the deposits were not sufficient to cover the arrears and that it was not possible for the department to state how the arrears were allowed to remain as they pertained to a very old period.

M.C.A.3554/III
31-3-1943
Cases of arrears of rent for six weeks and over from tenants of Labour Camp, Scheme 56 were reported to the Estate Agent. The reply showed that recoveries made from Municipal employees through paysheets were not intimated by the Chief Accountant in time and that in some cases suits were filed for the recovery, while in some cases the arrears were either cleared off or reduced.

M.C.A.3592/III
19-4-1943
Rs. 68 were outstanding against Mr. B. G. Acharya for the period ending January 1938, for occupation of Rooms Nos. 8-15 and 19-20, ground floor, case No. M. 276, Victoria Road. Although Mr. B. G. Acharya is still occupying Municipal arches 18-23 at Mahalaxmi Road over-bridge it is not understood why the arrears are not recovered from him. The Estate Agent's reply is still not received.

M.C.A.3902/III
21-9-1943
A statement containing 89 items of arrears of rent for 6 months and over as on 1st August 1943 were referred to the Department for early recovery and advice. The Estate Agent's reply is still awaited.

M.C.A.3889/III
15-9-1943
One Sahadeo Dharmaji vacated room No. 71, 3rd floor, case No. 5, Bellasis Road Chawls on 1st April 1943 leaving arrears of Rs. 57 at Rs. 9-8-0 per month. The Estate Agent being requested to state the steps taken to recover the arrrears in view of the fact that the party's work address was known, reported that the amount was irrecoverable as the party left the job and joined Military Department, and his whereabouts were not known.

M.C.A.3958/III
15-10-1943
Arrears of Rs. 42 at Rs. 3 per month due from one Arkha Ratna, a mill employee, are now reported by the Estate Agent to have been completely cleared.

Report regarding the recovery of arrears of Rs. 55 at Rs. 11 per month due from one Mahomed Ibrahim is awaited.

M.C.A.3869/III
2-9-1943
In four cases of heavy arrears of rents sent to him for explanation, the Estate Agent replied that recoveries are being effected.

The Estate Agent has been further asked to report regarding the recovery of increased arrears due from Chhaganlal Kara, M/776 A Tulsi Pipe Road. His reply is awaited.

M.C.A.4177/III
17-2-1944
One Tejuddin Kuttubuddin Rajguru vacated the premises on 28th August 1943 leaving arrears of Rs. 75-9-0. The recovery of arrears was not made although he was a Municipal employee.

The Estate Agent's reply is awaited.

M.C.A.4178/III
17-2-1944
The Estate Agent was requested to state what steps he had taken to recover the arrears of Rs. 124-3-0 from one Abdul Maquiel Abdul Kadar who vacated the premises in Scheme 3 on 10th July 1943. Reply is awaited.

M.C.A.4212/III
3-3-1944
The Estate Agent was requested to take early steps to recover the heavy outstandings in 22 cases observed in a test-check of the Current Bad and Doubtful Debts Register.

Reply is awaited.

M.C.A.4232/III
23-3-1943
13 items of heavy arrears of rent of vacated tenements were referred to the Estate Agent. Reply is awaited.

M.C.A.3790/III
23-7-1943
Two cases of heavy arrears of rent were referred to the Estate Agent.

Reply is awaited.

Arrears of Court Costs.

Replies to the following references are still not received :—

M.C.A.1387/III 21-9-1940 (1) Items of outstanding Court costs which were sanctioned to be written-off, were referred to the Estate Agent for recovery as they appeared to be due from the existing tenants who had shortly vacated the tenancies.

M.C.A.680/III 30-10-1939

M.C.A.772/III 5-1-1940

M.C.A.1556/III 6-12-1940

M.C.A.2653/III 24-4-1942

M.C.A.2404/III 13-11-1941 (2) Arrears of Court costs due from existing tenants.

M.C.A.2893/III 19-6-1942 (3) Cases of un-recovered amounts of decrees.

M.C.A.3101/III 16-9-1942 (4) Arrears of rent and Court costs due from Mr. Rajabhusen Vallimahomed.

M.C.A.3263/III 10-12-1942 (5) Arrears of Court costs due from *ex*-Municipal servants.

Registers of Decrees and Claim Suits.

M.C.A. 3984/III 25-10-1943 The following irregularities were referred to the Estate Agent to which reply is awaited :—

(1) Decrees as and when obtained from the Court were not entered serially in the register and some of them were not entered at all.

(2) Items of arrears of claims and costs were written off in 3 cases, although the decrees in respect thereof remained valid subsequently for over 2 years.

(3) The decrees which had lapsed and for which timely actions did not appear to have been taken.

(4) Running decrees did not appear to have been presented in Court regularly to watch recoveries and no reports were made to the Estate Agent in respect thereof.

(5) Amounts of costs or parts thereof were not recovered in several cases.

Sale of acquired lands at Worli Koliwada.

The question regarding arrears of sale price of properties at Worli Koliwada and the reigsters maintained in respect thereof was first raised in the year 1939-40 but it is not yet disposed of finally. Early attention is necessary.

M.C.A.938/III 26-3-1940 & 3-5-1943

It was reported last year that the registers show a number of tenancy and other deposits received during past years remained unadjusted to revenue and the corresponding arrears of rents are being carried forward from year to year in respect of the tenancies vacated long ago. Compliance to the audit suggestion that these deposits should be scrutinized in the first instance and then adjusted either against the rent account or credited to unclaimed dues and deposits under Miscellaneous Receipts still remains pending.

M.C.A.2556/III 20-1-1942 & M.C.A.2707/III 27-3-1942

Miscellaneous.

Replies to the following references are still not received :—

M.C.A.3443/III 20-2-1943 (1) The demand and recovery for the rent in respect of access over the service passage of the estate of the Trustees of Bai Nemitullabai Trust are not recorded in the demand register.

M.C.A.3493/III 9-3-1943 (2) Recovery of difference in rent for the occupation of increased area.

M.C.A.3493/III 9-3-1943 (3) Arrears of rent for 28 months at Re. 1 per month in respect of access over the Tulsi Pipe Line.

M.C.A.3536/III 23-3-1943 (4) Irregularities in maintaining interest registers of *ex*-Trust properties (Permanent Revenue).

M.C.A.2226/III 21-8-1941 (5) Irregularities in Demand Registers for Court costs.

M.C.A.2249/III 30-8-1941 Reference in respect of arrears in connection with a sale of right is still outstanding.

M.C.A.3512/III 16-3-1943 30 years' lease was granted to the B. E. S. & T. Co. Ltd., at a monthly rent of Rs. 3 with effect from 7th December 1941. No demand and recovery in respect thereof were found recorded in the Demand register.

The question being referred to the Estate Agent, he explained that the Departments responsible for recovery of rent were the City Engineer's Department and the Health Department. However, on subsequent correspondence with those Departments, the Estate Agent recovered the arrears and took the demand on his registers.

[M.C.A.3584/III — 14-4-1943] According to the terms agreed upon as between the Corporation and the Royal Western India Turf Club Ltd., extra land admeasuring 55,666 square yards is being put to cultivation and for the change of user, half the income derived therefrom is payable to the Corporation. No demand for this was found created in the Estate Agent's registers. As a result of audit reference a note has since been taken in the leasehold rent register.

The receipts were also found credited to different heads of accounts in different years. The Estate Agent now reports that the receipts were creditable to Miscellaneous Revenue and it will be done so in future.

[M.C.A.3589/III — 15-4-1943] Eight months' gaps were noticed in the collection of rents for a vacant land occupation in Scheme 60. The Department, when asked, replied that as the Rent Collector could not give satisfactory explanation for leaving gaps, he had been warned by Deputy Municipal Commissioner (Improvements) and a note was made in his service register. The arrears of the intervening period have since been recovered.

[M.C.A.3593/III — 19-4-1943] A sum of Rs. 7-3-0 recovered by a Chawl Superintendent on 15th November 1942 was paid by him into the Municipal Treasury on 16th March 1944. The Estate Agent explained that it was due to the carelessness on the part of the Chawl Superintendent and issued instructions to the Rent Registering Clerks who first receive the remittance reports to check all the counterfoils of the receipts with the remittance reports irrespective of the tenancies to which they pertain.

[M.C.A.3613/III — 30-4-1943] The building in case No. 397-98, Scheme 52, Worli is composed of ground floor, one upper floor and an attic. The staircase leading to the first floor and the attic falls within the ground floor premises and as such, the whole building can be let to one tenant only. However, only the ground floor was shown as let and the upper floor and the attic as vacant. In the circumstances, it would have been possible for the ground floor tenant to use the upper floor and the attic without paying any rent for all these years.

When the premises fell vacant on 31st December 1942, only the ground floor was again rented out to one Ardeshir F. Irani from 1st January 1943 at Rs. 30 per month as a tea-shop. Subsequently the first floor (without attic) was let out to him from 1st February 1943 at a rent of Rs. 10 per month as against the standard rent of Rs. 40 per month on condition that the repairs to the building should be carried out by the tenant to the satisfaction of the Assistant Engineer (Architect).

However, the papers do not contain any certificate from the Assistant Engineer (Architect) showing that the repairs were carried out by the tenant to the satisfaction of the Municipality. To an audit query, the Estate Agent replied that ordinary repairs to the premises to make them suitable for the tenant to stay in do not require to be certified by the Assistant Engineer (Architect). From the above fact it appears that the first floor of the building which was left vacant in the past has now been let at a nominal rent of Rs. 10 per month and that the condition attached to this letting at nominal rent, namely of carrying out repairs to the satisfaction of the Municipality, has not been fulfilled.

[M.C.A.3385/III — 22-4-1943] Three cases of occupation of rooms for 2 years, 7 years, and 6 months by persons other than those in whose names the tenancies were running in the demand registers were noticed in the Imamwada Chawls. It was also noticed that the forms of tenancy agreements showing complete information as to the address, occupation, etc., of the incoming tenants were not being properly filled up so as to be useful in the event of the tenants absconding from the premises, leaving the rent in arrears.

The Estate Agent's reply is awaited.

[M.C.A.4214/III — 4-3-1944] The Estate Agent has been advised to recover additional amounts of deposits in proportion of increase in rents effected for shops and godowns at Mandvi Koliwada Chawls from 1st November 1943. Reply is awaited.

[M.C.A.4034/III — 22-4-1944] No action appeared to have been taken to recover the balance of the decretal amount in High Court Suit No. 569 of 1939. The Estate Agent was requested to make the recovery and advise.

It was also suggested to the Estate Agent that the responsibility for taking timely action for the execution of the Court decrees should be fixed on some officer of his Department and also that a register showing the demands in respect of decretal amounts and costs and the recoveries effected thereagainst should be maintained.

Reply is awaited.

Missing Receipt Books.

[M.C.A.3753/III — 14-7-1943] Four receipt books were reported as lost by three rent collectors during the course of a month and a half. On enquiry it appears that no such incident has occurred during the last four or five years. Casual loss of a receipt book by a member of the rent collection staff can be understood, but three rent collectors reporting simultaneously of the loss of four receipt books is rather surprising.

Missing Papers.

[M.C.A.1548/III — 5-12-1940] I may again like to bring to the notice of all concerned, this year too, that a number of audit queries in connection with the outstanding arrears, write-offs, etc., came back with short replies after considerably long time that the papers were missing. Some of the instances are noted below.

Papers requisitioned from the Department under the following notes have not been received so far inspite of several reminders :—

Serial No.	Reference number and date.	Subject-matter.	Name of the party.	REMARKS.
1	M.C.A. 2016/III of 23-5-1941	... Heavy arrears	... M. Kalidas Gandhi.	
2	M.C.A. 2024/III of 26-5-1941	... Current Claim Suit Register.	As given in the statement.	
3	M.C.A. 2148/III of 24-7-1941	... Written-off arrears of rent ...	Do.	
4	M.C.A. 2280/III of 24-9-1941	... Written-off arrears of rent ending 31-3-1937.	Do.	
5	M.C.A. 2850/III of 28-5-1942	... Court costs Register No. 72 ...	Do.	
6	M.C.A. 3382/III of 1-2-1943	... Suspension of acting Chawl Superintendent.	Mr. Jamal Baboo.	
7	E.A.S.R. 17231 of 14-5-1943	... Rights of cultivation for 1943-44 (Municipal Properties)	Papers regarding items Nos. 2 and 7.	
8	E.A.'s Misc. 999 of 24-6-1943	... Written-off arrears of rent ...	As given in the statement.	
9	M.C.A. 3709/III of 23-6-1943 and of 27-3-1944.	Written-off arrears of rent ...	Do.	
10	M.C.A. 3886/III of 14-9-1943	... Heavy arrears of vacated tenants	Ahmad Mahomed.	
11	M.C.A. 3887/III of 14-9-1943	... Checking of casual occupancy reports for Scheme 57. Case 502/E. Letting papers.	As given in the statement.	
12	M.C.A. 3895/III of 17-9-1943	... Ejectment suit cases.	Do.	

It may be remarked that unless the papers are made available, it is not possible for Audit or even for the Head of the Department to fix the responsibility on the respective members of the staff concerned as to their inaction or failure on their part to recover the dues in time.

M.C.A. 1120/III
14-5-1940.

Arrears of Rs. 471 at a monthly rent of Rs. 100 for the period from 1st September 1938 to 23rd January 1939 were due from one Jiwanlal Khodidas for room No. 1, ground floor, Parsi Bazar Street. Complete papers were asked for on 14th May 1940. The Department, however, replied on 1st February 1944 that complete letting and suit papers were missing. Nothing further seems to have been done to recover the amount beyond sending a demand notice on 27th February 1939.

Papers in connection with the following audit notes are reported to be missing:—

(1) M.C.A. 3831/III of 14-8-1943.
(2) M.C.A. 2158/III of 26-11-1942. (Items 1, 2, 3, 4, 6, 7, 9 and 10).
(3) M.C.A. 2709/III of 31-3-1942. (Item 14).
(4) M.C.A. 2189/III of 12-8-1941 (Item 2).
(5) M.C.A. 2330/III of 10-10-1941.

DIVISION 'B'.

Statements of receipts and payments and Balances of Revenue, Capital and Suspense Accounts of Municipal and Improvements Accounts in a summary form.

(*Note* 1.—Unless specially indicated, the figures throughout this report are in lakhs of rupees).
(*Note* 2.—In these statements the assets purchased out of revenue and written off to expenditure from year to year and not shown on books of accounts are not included).

I.—MUNICIPAL ACCOUNTS (PROPER).

Revenue Account.

1. *Explanatory.*—The original Budget Estimate for the year anticipated a revenue deficit of Rs. 8.63. The actuals, however, resulted in a surplus of Rs. 13.03. The improvement of Rs. 21.66 in the revenue position over that budgeted for the year was mainly due to increased realisation of Rs. 24.31 and more expenditure of Rs. 2.65.

2. Summary of Revenue transactions for the year.

Particulars.		Actuals 1942-43.	Budget 1943-44.	Revised 1943-44.	Actuals. 1943-44.
		Rs.	Rs.	Rs.	Rs.
Revenue Receipts	...	389.02	379.68	387.46	403.99
Expenditure	...	364.65	388.31	400.18	390.96
Surplus (+)	...	24.37			13.03
Deficit (—)	...		8.63	12.72	

Lapsed Grants.—The amounts of lapsed grants estimated to be renewed during the year 1944-45 aggregate Rs. 10.77 against Rs. 16.73 in 1943-44 showing a decrease of Rs. 5.96. The details are given in appendix 4 of the Chief Accountant's report.

3. Summary of receipts according to service heads as compared with Budget and Actuals of previous year.

Head.	Budget 1943-44.	Actuals 1943-44.	Increase or decrease over Budget 1943-44.	Actuals 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) General Tax, Indirect Taxation and Misc. Revenue ...	159.28	176.43	+17.15	169.19	+7.24
(2) Water Works ...	97.62	101.29	+3.67	92.39	+8.90
(3) Education-Primary ...	9.50	9.43	—.07	9.52	—.09
(4) Education-Secondary ...	...	.01	+.01	...	+0.1
(5) Public Health Department ...	.89	1.20	+.31	1.00	+.20
(6) Medical Relief and Education ...	1.59	1.86	+.27	1.66	+.20
(7) Street Cleansing etc. ...	39.53	43.20	+3.67	40.16	+3.04
(8) Roads, Drains and Sewers ...	16.66	19.10	+2.44	21.25	—2.15
(9) Mechanical ...	.60	.57	—.03	1.15	—.58
(10) Buildings. ...	14.73	15.26	+.53	14.55	+.71
(11) Fire Brigade ...	6.59	7.26	+.67	6.95	+.31
(12) Licensing ...	4.86	5.94	+1.08	5.47	+.47
(13) Gardens and Open spaces ...	.51	.52	+.01	.51	+.01
(14) Markets and Slaughter Houses ...	14.19	17.76	+3.57	15.20	+2.56
(15) Contribution from Capital Funds ...	.74	.66	—.08	.71	—.05
(16) Extraordinary Receipts ...	10.75	1.29	—9.46	7.58	—6.29
(17) Rebate from Government on account of Urban Immoveable Property Tax ...	1.64	1.77	+.13	1.73	+.04
(18) Excess accumulation— in the Plant & Machinery Depreciation Fund. ...	...	.44	+.44	...	+.44
Total Rs. ...	379.68	403.99	+24.31	389.02	+14.97

The main items contributing to the net increase of Rs. 24.31 over the Budget are given in para 6 of the Chief Accountant's Report.

4. *Statements from various Municipal Departments of demand, collection and arrears of Municipal dues as on 31-3-1944 have not been received duly reconciled with the figures of the Chief Accountant's Department.*

5. *Summary of expenditure according to the service heads as compared with the Budget and Actuals of previous year.*

Head.	Final Budget Grants. 1943-44.	Actuals 1943-44.	Increase or decrease over final Budget grants, 1943-44	Actuals 1942-43.	Increase or decrease in Actuals for 1943-44 as compared with those for 1942-43
	Rs.	Rs.	Rs.	Rs.	Rs.
I. General Supervision	13.67	12.36	— 1.31	11.54	+ .82
II. Water Works	73.55	70.43	— 3.12	68.12	+ 2.31
III. Education—Primary	51.01	48.76	— 2.25	44.12	+ 4.64
IV. Education—Secondary	.63	.46	— .17	.15	+ .31
V. Public Health Department	11.63	10.91	— .72	10.10	+ .81
VI. Medical Relief and Education	31.03	28.13	— 2.90	25.19	+ 2.94
VII. Street Cleansing and Conservancy	35.53	32.19	— 3.34	29.73	+ 2.46
VIII. Roads, Drains and Sewers	64.73	60.46	— 4.27	62.34	— 1.88
IX. Mechanical	17.61	16.58	— 1.03	14.96	+ 1.62
X. Buildings	23.12	22.66	— .46	22.53	+ .13
XI. Fire Brigade	5.74	5.01	— .73	4.84	+ .17
XII. Licensing	2.04	1.97	— .07	1.87	+ .10
XIII. Gardens and Open Spaces	4.50	4.11	— .39	3.84	+ .27
XIV. Markets	8.19	7.56	— .63	5.93	+ 1.63
XV. Contribution towards Improvement Schemes ...	26.27	26.27	...	24.69	+ 1.58
XVI. Provident Fund, etc.	11.76	10.93	— .83	10.61	+ .32
XVII. Urban Immoveable Property Tax	.57	.50	— .07	.48	+ .02
XVIII. Grain Compensation	30.20	24.45	— 5.75	9.73	+ 14.72
XIX. Grants in-aid to Public Institutions. ...	3.70	3.39	— .31	2.13	+ 1.26
XX. Measures for Civil Defence. ...	10.31	3.82	— 6.49	11.56	— 7.74
XXI. Extraordinary Measures—Removal of debris, etc. from the fallen building at Jamshetji Tata Road.	.06	.01	— .05	.19	— .18
Total ...	425.85	390.96	— 34.89	364.65	+ 26.31

The figure of actuals for 1943-44 includes debt charges amounting to Rs. 124.58 of which Rs. 18.45 were on account of Sinking Fund instalments, Rs. 39.65 of repayment of Government Loans and advances from Special Funds, Rs. 66.28 on account of interest and Rs. .20 Bank and miscellaneous charges.

The sanctioned Budget Grant (original) for 1943-44 was Rs. 388.31. The additional funds made available during the year were Rs. 15.24 on account of renewed grants and Rs. 22.30 on account of additional grants sanctioned in the course of the year for various purposes bringing the final sanctioned grants to Rs. 425.85. Against this, expenditure booked was Rs. 390.96 leaving a balance of Rs. 34.89 of which Rs. 10.77 is required to be renewed for expenditure during 1944-45, Rs. 24.12 being treated as savings on final sanctioned grants as detailed in Appendix No. 4 of the Chief Accountant's Report.

Transfers from one budget head to another without affecting the total Budget provision for the year amounted to Rs. 9.44.

Main factors contributing to decreases over the final sanctioned grants are mentioned in para 12 of the Chief Accountant's Report.

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6. *Comparative statement showing the financial position of the last five years.*

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	346.56 (*a*)	347.44	...	0.88
1940-41 ...	356.31 (*b*)	359.18	...	2.87
1941-42 ...	367.66 (*c*)	359.21	8.45	...
1942-43 ...	389.02 (*d*)	364.65	24.37	...
1943-44 ...	403.99 (*e*)	390.96	13.03	...

(*a*) includes Rs. 1.31 and (*b*) Rs. 1.42 on account of interest on Net Premia Fund, (*c*) includes Rs. 1.35 on account of interest on the Net Premia Fund and Rs. 1.40 on account of transfer of excess accumulations from the Plant & Machinery Depreciation Fund, (*d*) includes Rs. 1.30 on account of interest on Net Premia Fund and Rs. 6.28 refund of excess contribution paid to Improvement Schemes Account in previous years, and (*e*) includes Rs. 1.29 on account of interest on Net Premia Fund and Rs. .44 on account of excess accumulation in the Plant and Machinery Depreciation Fund.

7. Liabilities and Assets of Revenue Account.

LIABILITIES.

		Rs. a. p.	Rs. a. p.
1.	Unpaid amounts of cash and cheque bills and bills for stores.		
	(*a*) Cash bills. ...	39,722 8 5	
	(*b*) Cheque bills. ...	5,78,681 6 11	
	(*c*) Stores (Reserve) ...	2,48,919 5 6	
	(*d*) Stores (Capital) ...	*Dr.* 1,16,186 14 0	7,51,136 6 10
2.	Reserve for grants to be renewed for meeting outstanding charges for 1943-44 and previous years. ...		10,77,000 0 0
3.	Interest accrued but not paid. ...		10,51,864 0 0
4.	Reserve for contribution to Improvement Schemes account falling due in 1944-45.		26,19,000 0 0
5.	Stock Adjustment Account. ...		84 15 6
6.	Deposits from contractors and private parties. ...		75,46,402 10 4
7.	Surplus Revenue Fund. ...		97,30,719 15 0
		Total ...	2,27,76,207 15 8

ASSETS.

		Rs. a. p.	Rs. a. p.	Rs. a. p.
(1) *Cash.*				
A. In current account with Imperial Bank of India ...			29,71,324 15 5	
B. On account of Municipal and Trust loans interest warrants payable Accounts—				
1. Imperial Bank of India.	Rs. a. p.			
(*a*) Municipal ...	28,890 13 2			
(*b*) Trust ...	8,009 15 4	36,900 12 6		
2. Hongkong and Shanghai Banking Corporation ...		5,358 15 4		
3. The Chartered Bank of India, Australia and China (London) ...		5,080 0 0		
4. The Imperial Bank of India (Calcutta).		...	47,339 11 10	
C. In Office Treasury ...			26,695 14 11	
D. Investments in fixed deposits and current accounts with different local Banks ...			96,29,396 0 6	1,26,74,756 10 8
(2) *Securities.*				
A. With the Imperial Bank of India—				
(*a*) Municipal Account ...		49,97,944 4 0 13,478 12 0		
(*b*) Contractor's Account ...		7,32,800 0 0	57,44,223 0 0	
B.—In Office—				
(*a*) Contractor's Account ...			2,88,900 0 0	60,33,123 0 0
(3) *Stores, Stock, Advances, etc.*				
(*a*) Due for stores sold ...				11,922 4 0
(*b*) Stock of Stores ...				10,83,236 11 5
(*c*) Interest receivable ...				73 7 0
(*d*) Advances—				
(*i*) For Plant and Machinery ...			20,67,225 7 10	
(*ii*) Other advances recoverable ...			9,05,870 6 9	29,73,095 14 7
			Total Rs. ...	2,27,76,207 15 8

Note:—Balances of Special Funds shown in Appendix 5 of the Chief Accountant's Report are excluded from the above statement and shown separately.

8. Special Funds.—Under Section 121 of the Municipal Act any portion of the Municipal Fund may with the previous approval of the Corporation be credited to a separate head in the Municipal Accounts, provided that to each of such special heads shall be credited and debited such sums only as shall expressly relate to the object for which such special fund is created. Also under the provision of Section 111 fines imposed on Municipal Officers and Servants under Section 83 are credited to a separate fund called ' The Fines Fund '.

The Position of the Special Funds as at 31st March 1944 was as under :—

Name of Fund.	Balance on 1-4-1943	Credits during the year.	Debits during the year.	Balance of Advances for Capital and other Works.	Balance in Cash and securities.	Balance on 31-3-44 (as per columns 5 and 6.)
1.	2.	3.	4.	5.	6.	7.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1. Municipal Fire and Accident Insurance Fund ...	11,34,135 6 8	52,378 2 0	10,845 7 0	3,92,965 8 0	7,82,702 9 8	11,75,668 1 8
2. Worn-out Water Mains Renewal Fund	4,946 8 3	197 14 0	1,867 8 0	......	3,276 14 3	3,276 14 3
3. Net Premia Fund	47,29,993 12 7	......	5,322 15 0	17,22,400 10 0 (a)	30,02,270 3 7	47,24,670 13 7
4. Provident Fund	2,01,34,214 1 6	28,31,450 11 0	10,22,060 4 0	......	2,19,43,604 8 6	2,19,43,604 8 6
5. Fines Fund	5,25,612 5 4	67,245 9 3	46,498 9 0	10,024 7 0 (b)	5,36,334 14 7	5,46,359 5 7
6. Plant and Machinery Depreciation Fund ...	16,35,689 11 8	82,131 5 11	43,533 7 6	11,56,893 4 3 (c)	5,17,394 5 10	16,74,287 10 1
7. Renewal of Road Surfaces Fund	27,14,710 3 5	2,09,422 4 0	87,538 8 0	8,52,153 14 0	19,84,440 1 5	28,36,593 15 5
8. Garden Fund	84,617 11 6	16,309 1 6	7,736 9 0	......	93,190 4 0	93,190 4 0
9. Public Monuments Maintenance Fund... ...	1,67,745 13 0	......	......	......	1,67,745 13 0	1,67,745 13 0
10. Endowments Fund	2,98,382 6 0	10,864 12 0	......	......	3,09,247 2 0	3,09,247 2 0
11. Hospital Fund	4,74,084 0 6	94,353 0 0	......	......	5,68,437 0 6	5,68,437 0 6
12. Land Sales Reserve Fund	26,43,485 9 7	80,548 8 0	3,08,935 7 3	22,25,000 0 0	1,90,098 10 4	24,15,098 10 4
13. Slum Service Fund	1,66,921 3 3	5,017 0 0	1,732 13 0	......	1,70,205 6 3	1,70,205 6 3
14. K.E.M. Hospital and G.S.M. College Equipment Fund	72,061 10 0	22,374 0 0	......	......	94,435 10 0	94,435 10 0
15. G.S.M. College and K.E.M. Hospital Research Fund	44,156 4 11	16,151 0 0	5,258 3 0	......	55,049 1 11	55,049 1 11
16. Pre-cast Concrete Slab Pavements Renewal Fund ...	17,384 0 0	13,634 0 0	......	......	31,018 0 0	31,018 0 0
17. Fidelity Guarantee Insurance Fund.	8,568 13 0	5,546 7 0	29 10 0	......	14,085 10 0	14,085 10 0
Total Rs. ...	... 3,48,56,709 9 2	35,07,623 10 8	15,41,359 4 9	63,59,437 11 3	3,04,63,536 3 10	3,68,22,973 15 1

Note:—The above statement includes item Nos. 4, 5, 9, 10 and 11 which are in the nature of Trust Funds, the balances of which cannot be utilised by the Corporation for any other purposes.

(*a*) includes Rs. 1,44,908-8-0 advanced for purchase of plant and machinery for the Municipal Printing Press. (*b*) Includes Rs. 5,000 advanced to the Officer Commanding, Fire Services for conducting a grain store, Rs. 5,024-7-0 advanced to Municipal employees under Corporation Resolution No. 15 of 9-4-1942. (*c*) Includes Rs. 75,549-5-0 advanced for purchase of plant and machinery and Rs. 62,111-11-3 for meeting expenditure on levelling metalling private street.

9. *Capital Account.*

Capital Expenditure not charged to Revenue.

Service Head.	Budget 1943-44.	Revised Estimates 1943-44.	Actuals 1943-44.	Difference between 3 and 4 (+ More) (—Less).
1.	2.	3.	4.	5.
Executed out of Loan Funds.	Rs.	Rs.	Rs.	Rs.
General Supervision	...	...	...	...
Water Works	6.59	12.28	7.67	— 4.61
Education-Primary (Buildings)	1.00	.03	0.3	...
Public Health	.58	.92	.08	— .84
Medical Relief and Education	.34	1.23	.04	— 1.19
Street Cleansing and Conservancy	.97	2.19	Cr. .07	— 2.26
Roads, Drains and Sewers	9.94	12.93	7.98	— 4.95
Mechanical	.93	.75	.22	— .53
Buildings, Land Acquisition	.65	1.03	.55	— .48
Fire Brigade	.46	1.60	.53	— 1.07
Markets	.37	.31	.03	— .28
Slum Service	.08	.27	.07	— .20
Measures for Civil Defence	1.60	1.80	.79	— 1.01
Discount and other charges on Loans	.32	.21	.15	— .06
Plant and Machinery	.33	2.91	.37	— 2.54
Repayment of advance taken from Land Sales Reserve Fund. ...	12.00	2.00	...	— 2.00
Total Rs. ...	36.16	40.46	18.44	—22.02
Executed out of Trust Fund	.02	.34	.26	— .08
Worn out Water Mains Renewal Fund	.10	.05	.02	— .03
Total Rs. ...	36.28	40.85	18.72	—22.13

Remarks:—(1) The Budget of Rs. 36.28 included Rs. .32 on account of discount and other charges on the new loan and Rs. .33 on account of purchase of new plant and machinery and Rs. 12.00 for repayment of advance taken from the Land Sales Reserve Fund.

(2) The revised estimates of Rs. 40.85 included Rs. .21 on account of discount and other charges on the new loan, Rs. 2.91 on account of purchase of new plant and machinery.

(3) The gross figure of actual expenditure for the year Rs. 18.72+00.58 written off=Rs. 19.30 includes Rs. .15 on account of discount and other charges on loan and Rs. .37 on account of plant and machinery. The actuals fell short of the Budget (Rs. 36.28) by Rs. 16.98 and of the Revised Estimates (Rs. 40.85) by Rs. 21.55.

10. *Progressive Capital outlay not charged to Revenue upto the end of 1943-44.*

Service Head.	Expenditure upto 1942-43.	Expenditure during 1943-44.	Total.
Executed out of Loan Funds.	Rs.	Rs.	Rs.
I. General Supervision	20.44	...	20.44
II. Water Works	990.57	7.67	998.24
III. Education-Primary	27.89	.03	27.92
V. Public Health	16.04	.08	16.12
VI. Medical Relief	81.75	.04	81.79
VII. Street Cleansing and Conservancy	90.24	Cr. .07	90.17
VIII. Roads, Drains and Sewers	762.32	7.98	770.30
IX. Mechanical	31.46	.22	31.68
X. Buildings, Land Acquisition and Management	427.79	.55	428.34
XI. Fire Brigade	12.11	.53	12.64
XIII. Gardens	36.77	...	36.77
XIV. Markets and Slaughter Houses	81.96	.03	81.99
XV. Slum Service	6.37	.07	6.44
XVI. Measures For Civil Defence	.01	.79	.80
Discount and other charges on loans	4.87	.15	5.02
Plant and Machinery	5.09	.37	5.46
Total Rs. ...	2,595.68	18.44	2,614.12
Executed out of Trust Fund	42.66	.26	42.92
Executed out of Worn-Out Water Mains Renewal Fund	9.59	.02	9.61
Executed out of Buildings Fund	43.03	...	43.03
Total Rs. ...	2,690.96	18.72	2,709.68

The Capital Fund Balance Sheet exhibits, on the liabilities side loans outstanding, balances of Sinking and Trust Funds, and other sources from which certain Capital Works have been carried out in the past. This is represented on the Assets side by expenditure incurred to date and balance of securities and cash (*vide* Appendix No. 7 of the Chief Accountant's Report.

The expenditure of Rs. 2,614.12 out of the Loans Funds shown therein includes Rs. 70.11 on account

of interest paid on Capital (Development Loan) and Rs. 20.98 paid as subventions to house owners. The following are the sources from which this expenditure has been financed :—

		Rs.	Rs.
(1)	Loans from Public, Government and Special Funds.—		
	(a) Debt outstanding as per Chief Accountant's Report.	1,406.87	
	(b) Loans repaid for which credit is given to Loan Redemption Fund.	1,060.46	
			2,467.33
(2)	Premia on Loans		3.21
(3)	Contributions from Special Funds		8.03
(4)	,, Bai Jerbai Wadia Children's Home		7.00
(5)	,, Revenue for Loan Works Establishment		.18
(6)	,, G.I.P. Railway		3.74
(7)	,, B.P.T. for Works Establishment		1.56
(8)	,, Government for Schools Buildings...		5.00
(9)	,, Development Fund		134.32
(10)	,, Government for widening the Love Grove Bridge		.92
	Total Rs. ...		2,631.29
	Less—Assets written off		7.90*
			Rs. 2,623.39
	Expenditure upto 31st March 1944	2,614.12	
	Balance (Rs. 9,26,731-8-5)	9.27	
			2,623.39

* The amount of Rs. 7.90 includes Rs. .37 and Rs. .21 written off during the year on account of plant and machinery and subventions to house-owners respectively.

11. The position of Loan Funds as estimated in the Revised Budget for 1943-44 and as revealed by the actuals was as under :—

Loan Funds.	As per Revised Estimate 1943-44.	As per Actuals 1943-44.
	Rs.	Rs.
Opening Balance on 1st April 1943	17.27	17.30
New loan raised in 1943-44	20.00	10.00
Advance from Special Funds for purchase of plant and machinery.	3.34	.99
Total ...	40.61	28.29
Less—Expenditure.	40.46	19.02
Deficit— Surplus+	+ .15	+ 9.27

Trust Fund Balance.

The balance in the Trust Fund, namely Rs. .89 was made up of the following :—

	Rs.
(1) Donation from Sir Currimbhoy Ibrahim for construction of a Primary School Building.	.59
(2) Donation from Messrs. Thakordas & Co., Solicitors on behalf of their Client Bai Kailasgoveri for a dispensary near Mumbadevi	.30
Total Rs. ...	.89

12. *Debt Position.*

	Outstanding debt on 1st April 1943.	Loans raised during the year.	Loans repaid during the year.	Balance on 31st March 1944.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	545.12	......	38.23	506.89(a)
(2) Public Loans ...	854.51	10.00	25.20	839.31
(3) Internal advances from Special Funds.	61.10	.99	1.42	60.67
Total ...	1,460.73	10.99	64.85	1,406.87

(a) Includes Rs. 8.40 due on account of Vehar Water Works transferred by Government to Municipality.

Fresh borrowing during the year was Rs. 10.99. Of this Rs. 10.00 were raised by issue of debentures reserved for the investments of the Sinking and Special Funds and Rs. 0.99 were taken as advance from the Municipal Special Funds. Amount repaid during the year was Rs. 64.85. Of this Rs. 38.23 and Rs. 1.42 were repaid from the current revenues as annual equated instalments in respect of advances taken from Government and from the Municipal Special Funds, respectively, and Rs. 25.20 were repaid to the public out of the accumulations in the Sinking Fund and the Net Premia Fund. The net decrease in the total debt during the year was thus Rs. 53.86.

13. The following are the figures of outstanding debt, accumulations of Sinking Fund thereagainst and the debt charges paid out of revenue for the last five years.

Year.	Debt Outstanding.	Sinking Fund accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	1,566.25	325.07	1,241.18	123.36
1940-41 ...	1,557.20	337.43	1,219.77	124.94
1941-42 ...	1,549.83	369.77	1,180.06	126.84
1942-43 ...	1,460.73	326.11	1,134.62	125.66
1943-44 ...	1,406.87	332.84	1,074.03	124.58

14. *Position of Sinking Fund.*

Balance on 1st April 1943.	Instalments paid during the year.	Interest earned on securities.	*Less*— Amount utlised for repayment of loans.	Balance at Book value of securities on 31st March 1944.
Rs.	Rs.	Rs.	Rs.	Rs.
326.11	18.45	13.42	25.14	332.84

At the Book Value of Securities, the Fund stood at Rs. 332.84 valuing the Government and other public securities at market rate and the Municipal and C. I. Trust Debentures at par, the accumulations in the Fund work out to Rs. 356.22. Adding to this the accrued proportions of interest (not due) on the securities held in the fund as on 31st March 1944 amounting to Rs. 3.34 the total amount comes to Rs. 359.56. Against this the amount of the theoretical valuation of the fund was Rs. 338.10.

The balances were verified and proved on the books.

Improvement Schemes Account.

General Account.

1. *Explanatory.*—The nominal budget deficit of Rs. 10.38 came down to Rs. 2.50 on the actual closing of the accounts for the year. The collections of Revenue and realisation of interest on the invested balance were better by Rs. 2.81 than those budgeted for. The actual expenditure was also less by Rs. 5.07 than that budgeted for. Thus the actual working of the year resulted in improvement of the Revenue position by Rs. 7.88 when compared with that of the Budget and the excess of expenditure over receipts was only Rs. 2.50 which was transferred to Capital Account. In addition, the liabilities outstanding in respect of the Renewed Grants were Rs. 3.72.

2. *Summary of Revenue transaction for the year.*

	Actuals for 1942-43.	Budget 1943-44.	Revised 1943-44.	Actuals 1943-44.
	Rs.	Rs.	Rs.	Rs.
Revenue Receipts ...	87.28	92.64	94.07	95.45
Expenditure ...	103.48	103.02	101.71	97.95
Surplus + / Deficit − ...	−16.20	−10.38	−7.64	−2.50

3. The following is a summary of revenue realisations according to service heads as compared with Budget and actuals of the previous year :—

Head.	Budget. 1943-44.	Actuals. 1943-44.	Increase or decrease over Budget (+) (—) 1943-44.	Actuals. 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Rent and other proceeds of properties ...	52.88	54.75	+1.87	54.12	+0.63
(2) Contribution from the Corporation under Section 125 (2) of the Municipal Act.	25.65	26.27	+.62	24.70	+1.57
(3) Receipts on account of tobacco duty ...	10.00	10.00	...	4.13	+5.87
(4) Interest and profits on investments ...	3.75	4.03	+ .28	4.01	+0.02
(5) Miscellaneous Receipts ...	.36	.40	+ .04	.32	+0.08
Total ...	92.64	95.45	+2.81	87.28	+8.17

4. The following is a summary of expenditure according to service heads as compared with the Budget and actuals of previous year :—

Head.	Final sanctioned grants. 1943-44.	Actuals. 1943-44.	Increase or decrease over final sanctioned grants. 1943-44.	Actuals. 1942-43.	Increase or decrease in actuals for 1943-44 as compared with those for 1942-43. (+) (—).
	Rs.	Rs.	Rs.	Rs.	Rs.
A.—Maintenance of Properties and Streets ...	28.47	18.46	—10.01	17.58	+0.88
B.—Cost of Management and Establishment ...	9.94	8.96	—0.98	7.59	+1.37
C.—Proportionate charges on account of Municipal Supervision ...	1.05	.88	—0.17	0.83	+ .05
Total B and C ...	10.99	9.84	—1.15	8.42	+1.42
Deduct—Charged to Capital account and General account ...	10.99	9.84	—1.15	8.42	+1.42
	...	...	...	...	...
D.—Debt Charges ...	80.39	79.49	—0.90	79.62	—0.13
E.—Repayment of excess amount received on account of contribution from Municipal Corporation in previous years ...	...	...	...	6.28	—6.28
Total ...	108.86	97.95	—10.91	103.48	—5.53

The final sanctioned grants were Rs. 108.86 comprising of :—

			Rs.
Original Budget Grant	... ...		103.02
Renewed Grants	... ...		3.12
Additional Grants	... ...		2.72
Transfers— Additions	... ...	.23	
Deductions	... ...	.23	...
			Rs. 108.86

Against the final sanctioned grant of Rs. 108.86, the expenditure incurred was Rs. 97.95 leaving a balance of Rs. 10.91, out of which a sum of Rs. 3.72 is required to be renewed for expenditure during 1944-45.

5. Comparative statement showing the financial position of the last five years is given hereunder :—

Year.	Receipts.	Expenditure.	Surplus.	Deficit.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	104.33	99.72	4.61	......
1940-41 ...	98.07	101.95	......	3.88
1941-42 ...	103.55	97.68	5.87	......
1942-43 ...	87.28	103.48	......	16.20
1943-44 ...	95.45	97.95	......	2.50

6. Figures of Demand, Collections and outstandings of Municipal dues (Improvement Schemes) as furnished by the Estate Agent and Land Manager's Department :—

	Demand including arrears.	Recoveries including adjustments.	Write off	Arrears at the close of the year.	Percentage of arrears to demand.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Permanent ...	35.96	32.60	.02	3.36	9.34
2. Temporary ...	29.71	21.43	.21	*8.06	27.12

* This inludes Rs. 4,55,911/—due from Government of India.

These figures are not reconciled by the Estate Agent's Department with the books of the Chief Accountant's Office.

Capital Account (Improvements).

7. Capital Expenditure not charged to Revenue.

Service Head.	Budget 1943-44.	Revised Estimate 1943-44.	Actuals 1943-44.	Difference between 3 and 4. More (+) or Less (—).
	Rs.	Rs.	Rs.	Rs.
(1) Improvement Schemes ...	11.21	10.95	3.52	— 7.43
(2) Miscellaneous ...	1.00	...	...	...
(3) Discount and other charges on Loans ...	...	...	...	...
(4) Cost of management, etc. ...	1.39	1.74	1.44	—0.30
(5) Repayment of Loans ...	...	.01	.01	...
(6) Revenue Deficit ...	10.38	7.64	2.50	—5.14
Total ...	23.98	20.34	7.47	—12.87

REMARKS.—The actuals fell short of the revised estimates by 63.32 per cent.

8. Progressive Capital outlay not charged to Revenue upto the end of 1943-44.

Service Head.	Expenditure upto 1942-43.	Expenditure during 1943-44.	Total.
	Rs.	Rs.	Rs.
Improvement and Street Schemes ...	1,766.62	4.97	1,771.59
Police Accommodation Schemes ...	91.85	...	91.85
Mill Company's Chawl Schemes ...	9.46	...	9.46
Miscellaneous ...	8.63	...	8.63
Discount on Loans and Expenses ...	14.65	...	14.65
Total ...	1,891.21	4.97	1,896.18*

* Exclusive of book value of Rs. 47.58 of properties comprised in Schedule 'W' and 'X'.

The expenditure of Rs. 1,896.18 and the net revenue deficits amounting to Rs. 195.60 total Rs. 2,091.78 has been financed from the following sources :—

		Rs.	Rs.
1. Loans from Public and Government :—			
(a) Debt outstanding as on 31st March 1944. ...		1,612.80	
(b) Loans repaid for which credit is given to Loans Redemption Fund		48.58	
			1,661.38
2. Extraordinary receipts transferred from S. F. accumulations ...			25.08
3. Special Grants from Government of India ...			54.00
4. Premia on Loan (1936-37) ...			.30
5. Sale proceeds of Land and Buildings ...			469.10
			2,209.86
Less—			
Expenditure on Schemes and revenue deficits	1,896.18		
Revenue deficits	195.60		
		2,091.78	
Balance in Cash and Securities		118.08	
			2,209.86

9. The state of Capital Account was as under :—

		Rs.
Balance on 1st April 1943. ...		83.43
Receipts, from sale of land. ...		42.12
		125.55
Less—		
Expenditure on Improvement Schemes Account ...	4.97	
Repayment of loan ...	...	
Deficits in General Account ...	2.50	7.47
Balance on 31st March 1944. ...		118.08

10. *Debt Position.*

	Outstanding debt on 1st April 1943.	Loans raised during the year.	Loans repaid during the year.	Balance on 1st April 1944.
	Rs.	Rs.	Rs.	Rs.
(1) Government Loans ...	858.94	...	5.07	853.87*
(2) Public Loans ...	758.95	...	.01	758.94
Total ...	1,617.89	...	5.08	1,612.81

*Out of Rs. 853.87 outstanding Government Loans, Debentures of the face value of Rs. 245.00 are held by the Corporation.

There was no fresh borrowing during the year. The amount of Rs. 5.07 was repaid to Government in respect of advances taken from them out of the Current Revenue and Rs. .01 to the public in respect of the loan of 1931.

11. The following are the figures of outstanding debt accumulations of Sinking Fund and the debt charges paid out of Revenue for the last five years :—

Year.	Debt Outstanding.	Sinking Fund Accumulations.	Net Debt.	Debt Charges.
	Rs.	Rs.	Rs.	Rs.
1939-40 ...	1,642.15	257.40	1,384.75	80.19
1940-41 ...	1,637.54	275.05	1,362.49	80.27
1941-42 ...	1,632.79	293.47	1,339.32	79.95
1942-43	1,617.89	310.39	1,307.50	79.62
1943-44 ...	1,612.81	330.20	1,282.61	79.48

12. *Position of Sinking Fund.*

Balance on 1st April 1943.	Instalments paid during the year.	Interest earned on Securities.	*Less*— Amount utilised for repayment of Loans.	Balance at book value of Securities on 31st March 1944.
Rs. 310.39	Rs. 5.81	Rs. 14.00	Rs. ...	Rs. 330.20

At the book value of securities, the Fund stood at Rs. 330.20. Valuing the Government and the other public securities at market rate and the Municipal and the City Improvement Trust Debentures at par, the accumulations in the Fund work out to Rs. 333.56. Adding to this accrued proportions of interest (not due) on the securities held in the Fund as on 31st March 1944 amounting to Rs. 1.23 the total amount comes to Rs. 334.79. Against this the theoretical valuation of the Fund was Rs. 286.96.

13. *Statement showing balances in Cash and Securities of different invested and Surplus Funds of Municipal and Improvement Schemes Accounts.*

Name of Account.	Cash.	Securities.		Total.
		Face value.	Book value.	
	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.
I.—Municipal Accounts (Proper).				
(1) Revenue account (including balances of deposits and suspense heads).	1,26,74,756 10 8	60,83,900	60,33,123 0 0*	1,87,07,879 10 8
(2) Special Funds Accounts ...	25,31,290 4 1	2,99,29,100	2,79,32,245 15 9	3,04,63,536 3 10
(3) Capital Account—				
(a) Loan Fund ... Rs. 9,26,731 a. 8 p. 5				
(b) Trust Fund ... 88,981 6 4	7,00,410 6 9	3,16,600	3,15,302 8 0	10,15,712 14 9
10,15,712 14 9				
(c) Sinking Fund (Municipal) ...	245 7 10	3,45,66,400 £ 25,000	3,32,83,587 6 8	3,32,83,832 14 6
II.—Improvement Schemes Account.				
(1) Capital Account ...	55,63,297 2 1	62,45,200	62,45,200 0 0	1,18,08,497 2 1
(2) Sinking Fund Account ...	131 1 2	3,20,06,700 £ 90,800	3,30,19,601 3 0	3,30,19,732 4 2
Total ...	2,14,70,131 0 7	10,91,47,900 £ 1,15,800	10,68,29,060 1 5	12,82,99,191 2 0

* This includes a sum of Rs. 13,478-12-0 invested out of the Surplus Cash Balance in G. P. Notes of the face value of Rs. 14,900 on Lessee's account the securities for which are included in the Contractor's securities account with the Bank.

14. *Reconciliation of Cash Balances in the Office Treasury and in the Current Account with the Imperial Bank of India on 31st March 1944.*

			Rs.	a.	p.
(*a*) Cash in Office Treasury.		...	26,695	14	11
(*b*) Securities in Office Treasury		...	2,88,900	0	0
	Total (*a*) and (*b*)	...	3,15,595	14	11
(c) Balance as per Pass Book.		...	24,53,840	15	1
Add—Cheques paid into the Bank on 31st March 1944 to be realised on 1st April 1944		...	7,46,391	1	4
	Rs.	...	32,00,232	0	5
Deduct—Amount of cheques delivered but not presented for payment		...	2,28,907	1	0
	Total (c) Rs.		29,71,324	15	5
	Grand total (*a*), (*b*) and (c) Rs.	...	32,86,920	14	4

15. The amounts of Cash and Securities belonging to different Municipal and Improvements Accounts were as under :—

1. *Cash.*

(A) In the Current Accounts, Interests Accounts and Fixed Deposits with the following Banks :—

Name of Bank.	Current accounts and interest accounts. Rs. a. p.	Fixed deposits. Rs.	Total. Rs. a. p.
(1) The Imperial Bank of India—			
(*a*) General Fund Account (*See* Bank Pass Book Reconciliation) ...	29,71,324 15 5	...	29,71,324 15 5
(*b*) Interest Warrants Payable Accounts— (*i*) Municipal Loans ...	28,890 13 2	...	28,890 13 2
(*ii*) Improvement Schemes Loans ...	8,009 15 4	...	8,009 15 4
(*c*) Current Deposit Account in respect of Sinking, Special, Surplus and Loans Funds.	4,196 7 5	...	4,196 7 5
(2) Hongkong and Shanghai Banking Corporation. (Interest on B.I. Trust Loan Payable Account).	5,358 15 4	...	5,358 15 4
(3) The Chartered Bank of India, Australia and China. (Interest on B.I. Trust Loans Payable Account).	5,080 0 0	...	5,080 0 0
(4) The Imperial Bank of India (Calcutta). Interest on B.I. Trust Loans in respect of Calcutta enfaced debentures.	...	...	...
(5) The Chartered Bank of India, Australia and China ...	2,47,434 14 3	9,00,000	11,47,434 14 3
(6) The National Bank of India ...	50,179 3 3	9,00,000	9,50,179 3 3
(7) Lloyd's Bank, Ltd. ...	98,617 4 4	...	98,617 4 4
(8) The Central Bank of India, Ltd. ...	7,15,051 15 1	39,00,000	46,15,051 15 1
(9) The Mercantile Bank of India, Ltd. ...	7,49,118 11 0	15,00,000	22,49,118 11 0
(10) Allahabad Bank, Ltd. ...	2,47,566 1 4	15,00,000	17,47,566 1 4
(11) Eastern Bank, Ltd. ...	5,19,818 13 8	...	5,19,818 13 8
(12) The Bank of India, Ltd. ...	96,989 11 7	6,00,000	6,96,989 11 7
(13) The Bombay Provincial Co-operative Bank, Ltd ...	97,288 3 0	20,00,000	20,97,288 3 0
(14) Union Bank of India, Ltd. ...	2,25,114 8 0	10,00,000	12,25,114 8 0
(15) The Bank of Baroda, Ltd. ...	4,99,359 7 0	20,00,000	24,99,359 7 0
(16) Messrs. Devkaran Nanji Banking Co. Ltd. ...	...	1,00,000	1,00,000 0 0
(17) Treasury Bills of Rs. 4,75,000. ...	...	4,74,035 2 6	4,74,035 2 6
Total (A) Rs. ...	65,69,399 15 2	1,48,74,035 2 6	2,14,43,435 1 8
(B) In Office Treasury			26 695 14 11
Total Cash Rs. ...	65,69,399 15 2	1,48,74,035 2 6	2,14,70,131 0 7

(2) *Securities.*

		Face value. Rs.
(*a*) In Office Treasury	...	2,88,900
(*b*) (I) With the Imperial Bank of India		
(*i*) Municipal Corporation of the City of Bombay Securities Account	...	6,93,23,500 £25,000
(*ii*) Municipal Corporation of the City of Bombay Securities Accounts 'A', 'B' and 'C'	...	3,72,77,900
(*iii*) Municipal Corporation of the City of Bombay	...	6,57,600
(II) With the Chartered Bank of India, Australia dnd China (Bombay)	...	£20,800
(III) With the Chartered Bank of India, Australia and China (London)	...	£70,000
Total as per certificates	Rs. £	10,75,47,900 1,15,800
(c) Debentures with the Government of Bombay for the amount of Rs. 16 lakhs repaid to them on 31st March 1944 in respect of loan of Rs. 476 lakhs of the C. I. Trust (Received on 11th May 1944)	...	16,00,000
	Rs. £	10,91,47,900 1,15,800

(1) *Verification of Cash.*

(*a*) Balances in current accounts with the Imperial Bank of India and different other banks were verified with Bank Pass Books and Banks' certificates and found in order.
(*b*) Balances of Fixed Deposits with the different local banks were verified with the Banks' fixed deposits receipts in th e safe custody of the Chief Accountant and found in order.
(c) Cash in office treasury was counted and found correct.

(2) *Verification of Securities.*

(*a*) Securities in Office Treasury were verified and found in order.
(*b*) Banks' certificates for securities in the safe custody of the Imperial Bank of India and the Chartered Bank of India, Australia and China were verified with the balances of securities in various accounts and found in order.

(3) *Outstanding Bills of Rates and Taxes and Riot Tax.*

(Town Council Resolution No. 1455, dated the 6th October 1879).

A reference is invited to separate letter No. M.C.A. 318/IV, dated the 5th October 1944 addressed to the Municipal Secretary and the appendices thereto in respect of the scrutiny of outstanding b ills of Rates and Taxes and Riot Tax on 31st March 1944.

(4) *Account of Water-marked Paper.*

The account of Water-marked paper held in the safe custody of the Chief Accountant was verified and found correct.

MUNICIPAL OFFICES,

BOMBAY *5th October 1944*

R. C. MEHTA.

Municipal Chief Auditor.

APPENDIX 'A'.

Statement of charges met from the Municipal Commissioner's Discretional Contingencies Grant during 1943-44.

Sanctioning Authority.	Number and date of sanction.	Particulars of charges.	Amount.
			Rs. a. p.
Municipal Commissioner	SR/17553/31-3-1943	... Cost of 1 dozen copies of Drucquer's Civil Defence from the Oxford University Press.	13 8 0
Do.	... C/1104/31-3-1943	... Charges paid to driver Narayan Waman Mhatre in connection with his detention at Igatpuri for taking Municipal lorry without Road permit. He was sent to Jerwar Budruk for collecting guaging and other comparing materials in connection with guaging work of Vaitarna River. ...	54 10 0
Do.	... SR/47/29-4-1943	... Charges for luncheon and after-noon tea at Tansa Bunglow in connection with the inspection of Water Works by the Members of the Works Committee ...	122 14 0
Do.	... SR/1007/26-5-1943	... Charges for refreshment, etc., given to Members of the Standing Committee on their visit to Kasheli Bridge...	14 10 0
Do.	... SR/255/28-5-1943	... On account of rewards given to Inspectors, etc., staff for successfully carrying out raid for seizing contraband meat which was being smuggled in a lorry from Kurla to Bombay ...	205 0 0
Do.	... SR/2004/27-7-1943	... Cost of China Flags that were flown on the Municipal Head Office and Ex-Trust Buildings ...	39 0 0
Do.	... C/1317/5-11-1943. C.R. 533/20-9-1943	Charges paid to Mr. E. A. Nadirsha, Hydraulic Engineer for attending the Session of the Indian Roads Congress held in Gwalior in the first week of October 1943 ...	227 3 0
Do.	... SR/13480/14-9-1943	... Cost of the following articles supplied to Water-Brahmins. 2 Earthenware pots with cocks ... 30 0 0 9 Brass lotas ... 17 10 0 2 Wooden stands ... 7 14 0 Buckets ... 18 6 0	73 14 0
Do.	... F/4629/SR/18-12-1943	... Charges of cash prizes distributed at the trailer pump competition to the successful Fire-Brigade staff of 17-12-1943	89 15 [illegible]
Do.	... CESR/493/26-4-1943	... Charges on account of arrangement for carrying members to Kasheli Bridge for inspection on 28-4-1943 ...	14 15 0
Do.	... CESR/493/9-3-1944	... Charges of 2 buses for members of Committee going to Tansa for inspection work on 28-3-1943 ...	92 1 0
Do.	... AE/8730/18-1-1944	... L. A.'s personal conveyance charges met from Municipal Commissioner's discretional contingencies ...	155 5 0
			1,102 15 0

APPENDIX 'B.'

Statement of Stores Transactions for the year 1943-44.

(Appendix 'O' and Clause XXIX of the Stores and Stores Audit Manual.)

Central Stores Department.	Figures as per Book of the Chief Accountant.					Figures as per Balance Sheet of the Store-keeper.			
	Opening Balance.	Receipts.	Total.	Issues.	Closing Balance.	Opening Balance.	Receipts.	Issues.	Closing Balance.
1	2	3	4	5	6	7	8	9	10
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
General Stores ...	5,66,255 14 10	13,91,853 14 6	19,58,109 13 4	12,16,281 15 0	7,41,827 14 4	4,63,575 0 10	14,02,943 13 6	11,89,698 4 0	6,76,820 10 4
General Stores, Surplus Obsolete	...	...	...	...	...	...	...	...	...
Line Suspense Account ...	94,859 12 10	88 0 0	94.947 12 10	1,854 11 0	93,093 1 10	94,860 4 10	...	1,800 13 0	93,059 7 10
Line Suspense Account Surplus and Obsolete ...	...	...	...	...	...	...	...	...	...
Capital Stores ...	2,60,392 9 3	3,65,914 3 0	6,27,306 12 3	3,78,991 1 0	2,48,315 11 3	2,13,116 4 3	3,70,807 1 0	3,47,313 14 0	2,36,609 7 3
Total Rs....	9,21,508 4 11	17,58,856 1 6	26,80,364 6 5	15,97,127 11 0	10,83,236 11 5	7,71,551 9 11	17,7 3,750 14 6	15,38,812 15 0	10,06,489 9 5
						Balance as per column 6		...	10,83,236 11 5
						Difference (*a*)		...	76,747 2 0

(*a*) The difference is due to non-adjustment of bills for issue of stores amounting to Rs. 78,001-0-0 against the grants of the different departments counterbalanced by a sum of Rs. 1,253-14-0 which was not taken on the Stock account in the Chief Accountant's Office.

Remarks.—Certificate of the Storekeeper for actual stock in hand was verified with the balances in the Chief Accountant's Books.

SCHEDULE II.

Report on the Schools Committee's Accounts.

(*Note.*—The figures in this report are in lakhs of Rupees unless otherwise expressly stated.)

The year under report opened with a balance of Rs. .20. The grant sanctioned for the contribution to the Schools Committee including renewed and additional grants aggregated to Rs. 48.57. Against this the actual contribution paid to the Schools Committee amounted to Rs. 46.43. At the end of the year a sum of Rs. .20 was left in the School Fund being the minimum cash balance required under By-law No. 10 of the Schools Committee's By-laws. In addition to this a sum of Rs. 47,026-7-1 being the amount of unspent balance of contribution drawn by the Schools Committee for 1943-44 was held by the Schools Committee as on 31st March 1944. The sum of Rs. 47,026-7-1 is treated as an advance to the Schools Committee in the accounts of the Municipal General Fund, for 1943-44.

2. Summary of receipts and payments for the year :—

Particulars.	Actuals 1942-43	Budget 1943-44	Revised 1943-44	Actuals. 1943-44
	Rs.	Rs.	Rs.	Rs.
1. Receipts (inclusive of opening balance) ...	42.04	43.64	45.60	47.00
2. Payments	41.84	43.44	45.40	46.80
3. Balance	.20	.20	.20	.20
4. Minimum Cash Balance.	.20	.20	.20	.20

Lapsed Grants :—The amount of lapsed grants estimated to be renewed during the year 1944-45 aggregated to Rs. 1.17. The amount of expenditure in respect of Primary Education paid direct by the Corporation from the Municipal General Fund on account of the Schools Committee's Office, Debt Charges, New Works, Medical Inspection of School Children, etc., amounted to Rs. 2.74, which when added to the sum of Rs. 46.80 brings the total expenditure on Primary Education of the City to Rs. 49.54.

3. The following is a summary of receipts under different heads :—

	Rs.
Contribution from Municipal General Fund	46.43
Fees from Municipal Schools	.30
Interest on Endowment and Trust Funds	.06
Miscellaneous Receipts	.01
Total Rs.	46.80

4. The following statement gives transactions of the Schools Committee's accounts for the last five years :—

Year	Receipts including opening balance	Expenditure	Closing Balance.
	Rs.	Rs.	Rs.
1939-40	37.09	36.89	.20
1940-41	40.43	40.23	.20
1941-42	41.25	41.05	.20
1942-43	42.04	41.84	.20
1943-44	47.00	46.80	.20

5. The total assets and liabilities of the School Fund on 31st March 1944 as shown in the Balance Sheet were as under :—

Assets.	Rs. a. p.	Rs. a. p.
1. Securities belonging to Prize and other Funds deposited with the Imperial Bank of India for safe custody of the face value of Rs. 2,04,400 ...		2,04,294 8 0
2. Advances and deposits recoverable—		
(*a*) Advances to Officers ...	619 0 0	
(*b*) Advances to Teachers ...	2,884 13 0	
(*c*) Deposit with the Garrison Engineer for water charges ...	5 0 0	3,508 13 0
3. Cash Balances—		
(*a*) With the Imperial Bank of India	1,13,337 15 11	
(*b*) In Office Treasury	118 8 8	1,13,456 8 7
Total ...		Rs. 3,21,259 13 7

Liabilities.

		Rs. a. p.	Rs. a. p.
1. Advance from the Chief Accountant on account of the Unspent balance of Municipal Contribution held in the School Fund			47,026 7 1
2. Sundry Deposits—			
(*a*) Unclaimed wages for Schools and Office	...	12,462 0 3	
(*b*) Miscellaneous Deposits	...	11,130 1 3	
(*c*) Unclaimed Rent	...	5,470 14 0	
(*d*) From Contractors	...	1,385 0 0	
(*e*) Schools Committee's Employees' Co-operative Credit Society	...	701 0 0	
(*f*) Income Tax recoveries	...	110 5 0	
(*g*) Court Attachment recoveries	...	12 8 0	31,271 12 6
3. Trust, Scholarship and Prize Funds—			
(*a*) Investments of the face value of Rs. 2,04,400.	...	2,04,294 8 0	
(*b*) Cash	...	18,667 2 0	2,22,961 10 0
4. Statutory Balance	...		20,000 0 0
		Total ... Rs.	3,21,259 13 7

(Item No.2(*b*) includes Rs. 20 on account of Fines Fund).

Accounts of the assets and liabilities on account of Provident Fund have been omitted this year from the Schools Committee's balance sheet as per the suggestions contained in the report on the irregularities in the Schools Committee's Provident Fund Account *vide* Corporation Resolution No. 872 of 13th January 1944.

6. *Donations.*—Securities for Rs. 15,000 in addition to Rs. 2,400 included in the balance sheet pertaining to Jerajbhai Peerbhai Girls' School Trust Fund are held by the Reserve Bank of India. The Schools Committee does not hold any safe custody receipt for the amount. The matter is under correspondence between the Government and the Schools Committee (*vide* Corporation Resolution No. 820 of 3-12-1942).

7. *Provident Fund.*—An additional grant of Rs. 12,531 was sanctioned by the Corporation (*vide* Corporation Resolution No. 872 of 13th January 1944) and the irregularities that existed in the Provident Fund Account of the Schools Committee have been adjusted during the year. The net liability on account of Provident Fund as shown by the individual accounts of the subscribers prepared by the Schools Committee's Office *viz.*, Rs. 59,70,103-15-0 agrees with the invested balances as shown in Appendix No. 6 of the Chief Accountant's report as follows :—

			Rs. a. p.
Balance on 1st April 1943 on account of Schools Committee's employees ...			53,59,331 0 0
Add—Net opening balances of accounts transferred from Municipal Accounts to the Schools Committee's accounts ...			25,502 10 0
			53,84,833 10 0
Less—Net opening balances of accounts transferred from the Schools Committee's accounts to Municipal Accounts ...			15,815 3 0
			53,69,018 7 0
Add—(1) Receipts during the year ...		4,53,404 0 0	
Less—Payments on account of subscription and contribution in respect of Schools Committee's employees...		46,845 11 0	
		4,06,558 5 0	
(2) Interest allowed on provident fund accounts of the Schools Committee's employees	2,30,883 2 0		
Less—Payments during the year	36,355 15 0		
		1,94,527 3 0	
			6,01,085 8 0
		Total ...	59,70,103 15 0

8. During the year a sum of Rs. 362-10-0 on account of excess or irregular payments and dues left unrecovered for unduly long periods, for salaries, allowances, etc., covering 17 cases, was recovered from the members of the staff and the parties concerned. Various other omissions and inaccuracies were detected in the course of test-audit some of which have been got rectified and other are under correspondence. As stated in the previous audit reports more effective supervision and control over the day to day routine work in connection with the Schools Committee's accounts is

9. Government grant received during the year was Rs. 9,36,430 as under :—

	Rs.
(1) Grant for 1943-44 for Primary Education	... 9,45,000
(2) Grant for paying grant-in-aid to Primary Departments of English Teaching Schools for 1943-44	... 30,670
	9,75,670
Less.—Excess grant paid by Government in 1942-43 recovered by them on account of fall in the number of students during the time of exodus of population from the City	... 39,240
Total	... 9,36,430

In addition to the above the Government grant for Training Institutions received by the Schools Committee's Office in the month of March 1944 and forwarded to the Chief Accountant in 1944-45 was Rs. 4,400 as follows :—

	Rs.
(1) Byculla Training Class (27-3-1944)	... 3,200
(2) Rahimtulla Currimbhoy Training Institute (20-3-1944)	... 1,200
Total	... 4,400

As pointed out in the previous audit reports estimated rent for schools located in the buildings built at Municipal cost or donated by public is not assessed and charged to the school fund and consequently it is not included in the figures of cost of Primary Education. Although the Schools Committee under their resolution No. 1332, dated the 22nd December 1941 instructed the Superintendent of Accounts at the instance of Audit to show the rent of buildings constructed at Municipal cost on the expenditure side of the School Fund Budget, nothing has so far been done. The Secretary, Schools Committee, has been again reminded to expedite the matter.

10. Arrears of School fees on 31st March 1944 as certified by the Secretary, Schools Committee, were Rs. 3,719-2-0.

11. The cash balance of Rs. 118-8-8 was counted and found correct. The reconciled balance in the Bank as per Cash Book *viz.*, Rs. 1,13,337-15-11 was examined with the bank statements and certificates and found correct.

12. The safe custody receipts for Government and other securities lodged with the Imperial Bank of India were examined and found in order.

13. A comparative statement showing the payments for the years 1942-43 and 1943-44 and detailed audit remarks on the Schools Committee's accounts are appended hereto and marked respectively appendix 'A' and appendix 'B'.

14. Appendix 'C' gives month by month the position of the number of teachers to pupils. The figures have been supplied by the Secretary, Schools Committee.

15. In order to avoid wrong or excess payments the necessity of obtaining certificates from the Head Masters of the Schools as to the occupation of premises before the rent bills are paid is being stressed in the audit reports from year to year; But the suggestion has not been given effect to so far.

MUNICIPAL OFFICES,   R. C. MEHTA,

BOMBAY, *5th October 1944.*   *Municipal Chief Auditor.*

APPENDIX 'A.'

Comparative statement showing the expenditure incurred by the Schools Committee during 1942-43 and 1943-44.

Particulars.	Expenditure. 1942-43. Rs. a. p.	Expenditure. 1943-44. Rs. a. p.	Increase. Rs. a. p.	Decrease. Rs. a. p.
Head Masters and Teachers ...	22,87,785 0 0	24,26,788 11 0	1,39,003 11 0	......
Servants ...	1,82,947 9 0	2,05,644 8 0	22,696 15 0	......
Rents ...	5,90,398 10 9	5,56,288 5 10	......	34,110 4 11
Class Books for Teachers ...	582 10 9	2,127 11 3	1,545 0 6	......
School furniture ...	20,612 14 0	5,189 4 6	......	15,423 9 6
School Contingencies ...	32,296 7 9	31,976 4 6	......	320 3 3
Scholarships ...	5,187 0 0	3,844 7 0	......	1,342 9 0
Special Expenses in Schools ...	12,383 9 8	30,764 15 5	18,381 5 9	......
Magazines for Schools ...	1,156 5 0	663 6 0	......	492 15 0
Sewing and Drawing ...	599 8 0	3,850 4 8	3,250 12 8	......
Uniforms and Umbrellas ...	11,591 14 0	86 10 0	......	11,505 4 0
Printing and Stationery ...	19,375 13 0	18,959 12 0	......	416 1 0
Miscellaneous Expenses ...	10,410 12 5	9,083 3 6	......	1,327 8 11
Sports ...	151 12 0	123 2 6	......	28 9 6
Local Committees ...	876 1 9	819 8 3	......	56 9 6
Visual Instruction ...	......	......	......	......
Sloyd and Handicrafts ...	10,468 10 6	6,716 10 6	......	3,752 0 0
Boy Scouts and Girl Guides ...	14,440 13 9	7,992 2 9	......	6,448 11 0
Audit Establishment Charges ...	5,275 4 0	5,569 15 0	294 11 0	......
Grain Compensation ...	1,77,746 8 0	5,36,006 12 0	3,58,260 4 0	......
Stipends to Teachers ...	1,10,479 14 0	93,348 8 0	......	17,131 6 0
Superintendents and their Establishments ...	1,07,947 1 6	1,16,786 13 0	8,839 11 6	......
Grants-in-Aid to primary schools ...	2,16,459 0 0	2,12,331 0 0	......	4,128 0 0
Teachers' Library ...	2,657 9 0	3,440 15 0	783 6 0	......
Superintendent, Aided Schools ...	7,715 5 6	15,175 7 9	7,460 2 3	......
Census Establishment ...	27,856 14 6	35,939 4 0	8,082 5 6	......
Pensions and Gratuities ...	1,37,055 2 0	1,36,788 14 0	......	266 4 0
Municipal Contribution towards Provident Fund ...	1,70,445 14 0	1,85,186 8 0	14,740 10 0	......
Repairs to School Buildings ...	6,844 0 0	10,933 10 0	4,089 10 0	......
Free Reading Rooms and Libraries ...	11,496 8 9	78 7 0	......	11,418 1 9
Stock Verifier's Establishment ...	907 8 0	441 14 0	......	465 10 0
Interest credited to Jivkore Lallubhai Scholarship Fund ...	......	4,477 4 8	4,477 4 8	......
Adjustment of Provident Fund discrepancies ...	......	12,530 11 6	12,530 11 6	......
Total Rs. ...	41,84,152 1 7	46,79,954 15 7	6,04,436 9 4	1,08,633 11 4

APPENDIX 'B'

Detailed audit remarks on the Schools Committee's Accounts.

Audit objections are grouped under the following heads :—

I.—Revenue and Receipts.

II.—Recoveries of excess or wrong payments, as well as the dues left unrecovered for unduly long periods.

III.—Extra measures resulting in new recurring and non-recurring commitments.

IV.—Internal audit and control.

V.—Non-observance of Municipal Service Regulations.

VI.—General.

VII.—Reports sent to the Standing Committee.

I.—Revenue and Receipts.

A—FEES.

(1) It was suggested to the Secretary, Schools Committee last year, that the quarterly statements of fee should show the amounts of arrears of previous quarter, current fees, fees recovered and amounts written off, if any. Reply is still awaited.

M.C.A.3275/II / 14-12-1942 & M.C.A.3965/II / 21-10-1943

The procedure followed in the preparation of these statements was also found defective in as much as the statements were prepared by the office and given to the Superintendents for verification instead of their being prepared from the intial records and verified by the Superintendents and then compared by the office with the recoveries. The Secretary, Schools Committee, has been requested to effect necessary change in the procedure which she has agreed to do.

(2) The following kinds of defects were found in the School Registers of the Gujarati Girls' Schools :—

M.C.A.4130/II / 22-1-1944.

(*i*) Delay in payment of fees.

(*ii*) Pages in the fee books torn off.

(*ii*) School leaving certificates given without dates.

The Secretary, Schools Committee, has been advised to issue a strict warning to Headmistresses against recurrence of such irregularities in future.

(3) Heavy arrears of fees were noticed in respect of certain Urdu Schools. Reply of the Secretary, Schools Committee, is awaited.

M.C.A.4127/II / 19-1-1944

(4) The fee registers maintained in the Accounts Section of the Schools Committee's Office should in principle be maintained by the Establishment Sections of the respective Superintendents' Departments and be verified by the Accounts Section with the fees received. The Secretary, Schools Committee has been requested to effect necessary change. Reply is awaited.

M.C.A.4126/II / 19-1-1944

(5) The procedure of receiving fees and preparing receipts therefor in the Accounts Branch was found faulty. A proper procedure was therefore, suggested to and adopted by the Secretary, Schools Committee.

M.C.A.3654/II / 14-5-1943 & M.C.A.4126/II / 19-1-1944

B.—Delay in Remittances.

(1) Sale proceeds of application forms for teachers' posts sold on 19th March 1943 and from 23rd to 26th March 1943 payable in the Accounts Branch on 22nd March 1943 and 29th March 1943 were not paid upto 6th April 1943. Explanation of the persons concerned has been called for but no reply has been received uptil now inspite of two reminders.

M.C.A.3661/II / 19-5-1943

(2) In addition to the cases of undue delay in remitting the sale proceeds of sewing articles, as reported to the Standing Committee (*vide* Standing Committee Resolution No. 1013 of 14th October 1942), the following further cases were noticed and pointed out to the Secretary, Schools Committee :—

M.C.A.3780/II / 21-7-1943

Name of the School.	Amount. Rs.	When realised.	Remitted to office on
(*i*) Nagdevi Street Gujrati Girls' School	5 15 0	1941-42.	1-5-1943
(*ii*) New Gopi Tank Marathi Girls' School	1 12 0	November 1942.	30-6-1943
(*iii*) Girgaum Gujrati Girls' School ...	4 0 0	19th and 23rd March 1943.	1-5-1943

C.—Sub-tenants in Arrears.

(1) Four sub-tenants were noticed to have run into arrears from November and December 1942. The Secretary, Schools Committee, reported that necessary recoveries have been made.

M.C.A.3673/II / 24-5-1943

(2) Sakharam Nana Jadhav, a Havildar of the Schools Committee's Office, who was also working as Custodian of the Foras Road Central Marathi Boys' School, retired from Municipal service from 16th December 1943. He however, failed to vacate the premises on retirement although he was asked to do so and continued to occupy the room. The Schools Committee's Office did not recover any rent from him on the ground that he was not allowed by the Committee to occupy the

M.C.A.4093/II / 6-1-1944.

premises. The Secretary, Schools Committee, was requested to recover rent for the period the premises were actually occupied and accordingly recoveries at the rate of Rs. 10 per month are being made (*vide* Schools Committee Resolution No. 1410 of 15th March 1944). The Municipal Commissioner's sanction has also been applied for by the Department for the fixation of the monthly rent, which is awaited.

M.C.A.4020/II — 25-11-1943.

(3) Mr. R. B. Badekar, a sub-tenant in the De-Lisle Road B. D. D. Chawls Marathi Boys' School was found to be in arrears of rent for over 5 months from June 1943 and the Schools Committee had under their resolution No. 183 of 12th May 1943 asked him to vacate the premises immediately but he did not do so. At the instance of Audit recovery of Rs. 48 was made from him for the period ending November 1943 and the Schools Committee under their resolution No. 1325 of 26th February 1944 decided to place the case in the hands of the Legal Assistant for ejectment and recovery of rent. Further report of the Secretary is awaited.

M.C.A.1201/II — 28-6-1940.

(4) As mentioned in the last audit report rent amounting to Rs. 80 is outstanding from a sub-tenant for the year 1938. As a result of audit reference the Schools Committee filed a suit against him and a decree for the amount due (payable in monthly instalments of Rs. 5) has been obtained.

M.C.A.2206/II — 13-8-1941.

(5) As mentioned in the last audit report a sum of Rs. 23-6-0 was due to be recovered from the Akhil Karnataka Sewa Samiti. Inspite of the efforts made by the Secretary, Schools Committee, no recovery could be effected and the amount has been written off with the sanction of the Standing Committee (*vide* Standing Committee Resolution No. 193, dated the 10th May 1944).

M.C.A.1523/II — 27-11-1940.

(6) As reported in the previous audit report discrepancies of the following kinds were noticed in the Sub-tenants' Register:—

(*i*) Sanctions of the Schools Committee were not found to have been obtained for 3 sub-lettings.

(*ii*) Some sub-tenants were found to have run into arrears for more than 3 months.

(*iii*) Although a tenancy was noted in the sub-tenants' register no rent was being recovered.

(*iv*) The remarks "vacated" made in the registers were not authenticated and no vacancy reports from the Headmasters concerned were found obtained in some cases.

As a result of audit reference needful has been done.

D.—Excess Accumulations in the funds.

M.C.A.3837/II — 20-8-1943.

(1) From the examination of the figures of interest earned and the expenditure incurred on the Rahimtulla Currimbhoy Training Institute for Women Scholarhsip Fund it was observed that since 1927-28 a substantial sum of surplus interest was left each year in the Fund. The accumulation on account of such excess interest on 31st March 1943 was Rs. 6,643-11-6. The Secretary, Schools Committee was, therefore, requested to see whether it would be possible to utilise the surplus in furthering the objects of the Fund. The Secretary, Schools Committee, replied that with a view to utilising the accumulated interest the Schools Committee had again approached the Director of Public Instruction to start a 2nd year class at the Municipal R. C. Training Institute. The permission however, has not been granted.

M.C.A.3736/II — 30-6-1943

(2) From the figures of realisations from investments and expenditure thereout of the Jivkore Lallubhai Scholarship Fund it was observed that the expenditure was much less than the income realised and the excess income was every year being added to the Corpus of the Fund. A sum of Rs. 4,447-8-0 on account of such excess interest was credited to the Corpus of the Fund during the year. Thus the capital of the Fund has gone beyond all expectations and a very small portion of the income thereof is being utilized. It was therefore, inquired of the Secretary, Schools Committee, whether there was any possibility of changing the terms of the agreement with the consent of the Donors. The Secretary, Schools Committee replied that as the particulars of the Trustees were not available, it was difficult to get the terms changed. The Legal Assistant also opined that the terms could not be changed. In the circumstances, the Secretary, Schools Committee, has been requested to take steps to invest the surplus which is lying in cash in the School Fund.

E.—Government Grant-in-aid to the Training Institutions.

The Government pay an annual grant to the Byculla and Rahimtulla Currimbhoy Training Institutions conducted by the Schools Committee calculated at the rate of one half of the recurring admissible expenditure in the previous year subject to a maximum of Rs. 120 per pupil in average attendance during the year and for the payment of this grant a statement of accounts certified by the Municipal Chief Auditor is required by Government and accordingly, while certifying the accounts of the Institutions for the year 1941-42, it was suggested to the Secretary, Schools Committee, that necesasry adjustments for the proportionate charges on account of rent should be carried out regularly in the accounts of these Institutions in order to enable the Municipality to claim Government Grant on the full expenditure. Acting on this suggestion the Secretary, Schools Committee, has got the rents assessed by the City Engineer and applied for the necessary approval thereto of the Executive Engineer, Presidency Division, Bombay. It is learnt that the certificate from the Executive Engineer has been received only recently by the Secretary, Schools Committee, and the rent certified therein may legitimately be charged in the accounts for 1943-44. I do not think that the Government would now allow any supplementary grant on this account for the previous years.

It is also observed that minor charges such as those for employment of a peon for the classes, etc., were also found omitted from the accounts of the Institutions. It may therefore, be noted that such omissions cause actual loss to the Corporation and should be avoided scrupulously.

M.C.A.2192/II — 2-7-1942 & M.C.A.3746/II — 7-7-1943

On going through the details of the Grant-in-aid for the Training Institutions *viz.*, the R. C. Training Institute and Byculla Training Class it was noticed that the nominal rent of Rs. 3,200 for R. C. Training Institution and Rs. 1,800 for Byculla Class which was not taken on the books of accounts, was not admitted for the purposes of the grant by Government.

Recoveries on account of Court attachments are not being made by way of deductions in the pay-sheets but at the time of payment the required amount is withheld and separate receipts passed for the amounts so withheld. The Secretary, Schools Committee, was requested to state why the amounts should not be deducted through paysheets as was done in in all the other departments. She replied that as the Prohibitory orders of the Courts were generally in English, and as many of the Head Masters were not conversant with English, there was possibility of wrong deductions being made, the transfers of teachers and Head Masters from one School to another would cause irregular deductions and that the present system was convenient to the Department.

M.C.A.2876/II
12-6-1942

A sum of Rs. 36-9-0 recovered from the salary of an employee on 15th May 1942 on account of rent to be paid to the Estate Agent and Land Manager, was not remitted to that Officer for about 14 months. As a result of audit reference the amount was paid on 3rd August 1943.

M.C.A.3838/II
20-8-1943

For the sale of miscellaneous articles such as plantains and cocoanuts, sewing and drawing articles, no sanctions were obtained. In certain cases even the permission of the Secretary, Schools Committee, was not obtained. On an audit reference necessary instructions have been issued to the Superintendents concerned.

M.C.A.3579/II
14-4-1943

II.—Statement of reocveries of excess or wrong payments and dues left unrecovered for unduly long periods.

The following cases of excess or wrong payments were noticed and recovered:—

Serial No.	Case No. and date.	Name.	Particulars.	Amount. Rs.	a.	p.
1	MCA/3794/II of 27-7-1943 ...	Heirs of the deceased Aishabi Zowje Din Mahomed	Excess payment of interest on Municipal contribution for 1942-43	0	8	0
2	MCA/3583/II of 14-4-1943 ...	Head Master Hindi Training Class.	Price of certain books which were not ordered out but received and others which were not received but which were paid for under a V. P. P. ...	8	8	0
3	MCA/3875/II of 11-9-1943 ...	Mr. R. K. Mule, Assistant Teacher.	Salary paid at Rs. 39 instead of at Rs. 38 per month ...	2	13	0
4	MCA/3931/II of 29-9-1943 ...	Gangubai Sinkar ...	Excess payment due to wrong calculation of salary due ...	0	7	0
5	MCA/3856/II of 26-8-1943 ...	Mr. V. M. Rane, Assistant Superintendent.	Payment of conveyance allowance during leave period which was not admisslble ...	10	0	0
6	MCA/3856/II of 26-8-1943 ...	Mr. M. P. Shah, Superintendent		4	15	0
7	MCA/4009/II of 18-11-1943 ...	Laxmibai Anandrao Kadam, Assistant Teacher ...	Excess payment of salary due to error in in calculation ...	0	2	0
	MCA/3734/II of 30-6-1943 ...	Income Tax Office ...	Unrecovered amount of refund of income tax on the dividend of one share of Ahmedabad Mills Ltd., for 3 years ending 31-12-1941 ...	112	7	0
	MCA/3772/II of 14-7-1943 ...	Mr. Anwar Ahmed Mahomed Yusuf Jafri.	Excess payment in paying the difference in adjusting the salary from 1-6-1932 under old Instalment Promotion Rule No. 4, the salary having been calculated at higher rate through mistake ...	68	0	0
10	MCA/3827/II of 13-8-1943 ...	Mr. Mahomed Husein Karim Bux.	Grain Compensation Allowance paid at full rate instead of at half rate while on leave on half average pay.	1	10	0
11	MCA/3769/II of 13-7-1943 ...	Mr. Y. K. Khot, and Tarabai Kashinath Khot.	Claim for compassionate allowance passed for payment in excess, the aggregate service of an employee having been counted in excess by one year	60	0	0
12	MCA/4176/II of 17-2-1944 ...	Bai Vimalabai Ramchandra Sane	Paid salary for 1 day at full rate instead of at half rate while on leave on half average pay ...	2	9	0
13	MCA/414/II of 27-1-1944 ...	Sayed Rahmatalli Sayed Mahomed.	Salary for the days of absence which was paid through oversight before the leave was sanctioned	3	4	0
14	MCA/858/II of 23-2-1940 ...	Mr. J. A. Rane and 9 others ...	Pay drawn while on Military duty in addition to their regular pay ...	81	2	0
15	MCA/4008/II of 18-11-1943 ...	Mathurabai Pawar ...	Salary and Grain Compensation Allowance drawn for 1 day on 26-6-1943 in addition to receiving stipends ...	1	12	0
16	MCA/4206/II of 29-2-1944 ...	Mr. A. K. Pratham ...	Recovery of the excess payment of salary and Grain Compensation Allowance for 1 day for which he was granted leave without pay ...	1	9	0
17	MCA/1431/II of 4-10-1940 ...	Furniture Removing Contractor	Excess amount paid for removing furniture of 2 Schools ...	3	0	0
			Total ...	362	10	0

III.—Extra measures resulting in new recurring and non-recurring commitments.

(1) The grades for Inspectors and Inspectresses of Schools were revised from Rs. 100-5-150+30 Conveyance Allowance to Rs. 125—5—175 *plus* Rs. 30 Conveyance Allowance for trained graduates.

(2) Mr. M. P. Shah, Superintendent, Gujarati Boys' and Hindi Schools on Rs. 240 in the grade of Rs. 225—15—300 was asked to look after the work of Miss. Dallas, Superintendent, Gujrati Girls' School on Rs. 400 in the grade of Rs. 300—20—400 in addition to his own from 21st February 1944 to 31st May 1944 and an officiating allowance of Rs. 100 per month was sanctioned (*vide* Schools Committee Resolution No. 1473 dated the 22nd March 1944). Under Note (*a*) to Rule 56 of the Municipal Service Regulations when a Municipal servant is appointed to look after the work of another post, he is paid 1/10th of the presumptive pay of the 2nd post. The grant of an allowance of Rs. 100 per month is therefore, not in accordance with the Municipal Service Regulations which have been adopted by the Schools Committee and non-observance of the restrictions laid down therein may have the ultimate effect of loosening the control over expenditure which is the main object of the rule.

(3) Out of the unspent balances of grants for the year 1943-44 a sum of Rs. 1,16,900 has been renewed for payment of expenditure incurred during the year 1944-45. From the statement of renewed grants it is observed that the amount of the bills for the articles supplied but not paid during the last year was Rs. 57,510 only and the

balance *viz.*, Rs. 59,390 is in respect of the orders placed but not executed during the last year. It may be remarked that the maintenance grants are given for expenses incurred during the year and therefore charges for articles should be legitimately debited to the grants of the year in which they are received for use although the orders may have been placed during the previous year. The renewal of grant for Rs. 59,390 is, therefore, not in order. The practice of placing orders at the fag end of the year so as to use up the available balances in the grants by renewal in the next year is also not proper.

(4) According to the Schools Committee Resolution No. 670, dated the 16th September 1936, the bus driver and the cleaner on the Schools Committee's Establishment were entitled to draw overtime allowance whenever they were required to put in extra work. Their normal duty hours were also fixed at 10 hours a day.

M.C.A.3967/II
21-10-1943

On a representation from the driver, however, a duty allowance of Rs. 10 per month has been fixed for him in lieu of the overtime allowance the benefit of which he was unable to reap, as according to the Secretary, Schools Committee, he is called upon to do extra work during office hours by fogoing his lunch time, etc. It may be observed that on a comparison of the duty hours and grades of the bus drivers working under the Mechanical Engineer with those of the Schools Committee's driver, the latter are in no way less favourable than those of the former. The grant of duty allowance which is just like increase in pay is, therefore, extra addition to the expenditure.

IV.—Internal Audit and Control.

(1) Under the Schools Committee Resolution No. 705, dated the 24th September 1937 the sign-boards of the Marathi and Gujarati Schools are required to be repainted in the Khetwady Central School. The Committee have also passed orders that the cost for each sign-board should not exceed Rs. 3. The practice of the teacher-in-charge of the Painting Class is to prefer bills against the Schools Committee at the rate of Rs. 3 per board and the Schools Committee admit the charges. The Secretary, Schools Committee, was requested to submit an account from the teacher showing the cost of materials purchased and the amounts recouped by him from the Schools Committee together with the supporting vouchers.

M.C.A.3996/II
5-11-1943

The account rendered by the teacher was not supported by vouchers and therefore the accuracy thereof cannot be verified. It may be noted that it is not a desirable practice to allow the teacher to purchase materials by himself and to render an account of expenditure which is always pie to pie to the exact amount of the boards painted at Rs. 3 each. The teacher should get the materials from the Controller of Stores who also supplies such materials to the painting shop at the Municipal Workshops and the bills received from the Controller of Stores may then be adjusted against the School Fund. The present practice should cease immediately. No reply is received from the Secretary, Schools Committee.

(2) Two peons, one working in the Schools Committee's Office and the other in a school, have been occupying rooms in Municipal Schools at Rs. 2 per month, while they are being paid the House Rent Allowance of Rs. 4 per month. The Secretary, Schools Committee being informed that it was not correct to fix the rent so low as to allow them to make profit out of the allowance granted to them, sanction of the Schools Committee has been obtained to charge rents in these cases at Rs. 4 each per month (*vide* Schools Committee Resolution No. 291, dated the 4th July 1944).

M.C.A.4175/II of
17-2-1944.

(3) The following discrepancies were noticed in the rent register:—

M.C.A.4040/II
3-12-1943

(*i*) The alterations in the names of landlords or in the rents payable to them were not attested at several places. In certain cases the dates from which the alterations took place were not stated.

(*ii*) There were discrepancies in the names of the landlords as per the rent bills and the rent register.

(*iii*) In the case of buildings owned by charity trusts the names of trustees authorised to sign rent bills were not stated.

(*iv*) In certain cases the sanctions of the Schools Committee were noted in pencil, while in many other cases they were not noted at all.

The Secretary has been requested to do the needful to set-right the discrepancies under items 1 and 4 and for item No. 2. to take proper notes in the register of rents of the agents receiving payments on behalf of the landlords.

As regards item No. 3 the Secretary, Schools Committee, is advised to introduce the system of registering the Trust Deeds showing names of persons authorised to prefer bills and receive rents.

Reply is awaited.

(4) Irregularities of the following kinds were noticed in various bills. The explanation is awaited.

M.C.A.4043/II
6-12-1943

(*i*) Sanctions to quantities and rates of the articles purchased not obtained.

(*ii*) No stock register maintained in Urdu Section.

(*iii*) In the register of Gujarati Girls' Section receipts of articles were not entered but only issues were noted in pencil without initials of the issuing officer and hence no account of receipts, issues and balances was available. Similarly the register of Gujarati Boys' Section also shows only the issues.

(*iv*) In some cases purchases were not made under written orders, and the usual certificates of the actual receipt of articles, rates, etc., were not endorsed on the bills.

(*v*) For purchases exceeding Rs. 3,000 no tenders were invited by public advertisement on analogy of Section 72(1) of the Bombay Municipal Act nor any sanctions were accorded to dispense with this requirement as per Section 72(3) of the Act.

(5) Various irregularities were noticed in the matter of certification and posting of leave to the leave accounts:—

M.C.A.3957/II
15-10-1943

(*i*) The leave accounts were posted before the completion or rather before the commencement of the leave.

(*ii*) As the leave accounts were posted before granting each extension the total continuous period of leave in terms of months and days differed from what it actually should be.

(*iii*) The papers did not show the continuity of record as they were filed separately at the time of each extension.

(*iv*) In the pay-sheets complete remarks about leave were not made.

The Secretary Schools Committee has been requested to do the needful to avoid these irregularities.

(6) A sum of Rs. 21-8-0 recovered from 4 different parties in 1941-42 and noted in the register of recoveries on account of Court attachment was found neither remitted to the Court nor refunded to the parties. On an Audit note, 2 deposits amounting to Rs. 9 have been cleared while the other 2 still remain outstanding.

M.C.A.3840/II — 20-8-1943

(7) In several cases of teachers under training, the dates of their joining the Training Colleges as shown in the absentee statement differed from those given in the stipends register. Explanation of the Secretary, Schools Committee is awaited.

M.C.A.4032/II — 2-12-1943

It was reported last year that no register of articles was maintained by the Supervisor of Handicrafts. A register has since been opened but the examination showed omission of 42 clocks received by the Schools Committee. The Supervisor explained that the register was opened only for the materials supplied to the Handicrafts Classes.

M.C.A.3201/II — 6-11-1942

The Supervisor of Handicrafts was asked to keep a proper register of the articles in stock, the articles purchased and the articles supplied to each School. An explanation for his failure to do so has been called for through the Secretary, Schools Committee but not received till now.

The irregularities in connection with the accounts of the Mominpura Library were reported last year and the explanation called for and received by Audit in connection therewith did not satisfy audit queries. However, the general report made by the Municipal Chief Auditor in connection with the defects and irregularities observed in the Schools Committee's Libraries prior to their transfer under the Commissioner (*vide* Standing Committee Resolution No. 1898, dated the 3rd March 1943) is under the consideration of the Schools Committee who have called for proper explanations from the Supervising Officers of each library.

M.C.A.3418/II — 12-2-1944

As reported in the previous audit reports proper account of the sale proceeds of the articles put in the annual exhibitions is not being rendered by the Supervisor of Handicrafts by showing the articles put into exhibition, the articles sold and the articles left unsold. Audit reference sent to the Secretary, Schools Committee, on 28th April 1942 in this connection, is not yet replied to, inspite of six reminders.

M.C.A.2778/II — 28-4-1942

As reported last year a standing advance of Rs. 100 granted to the Printing Class Teacher was adjusted on 29th September 1941 by debiting the amount to contingencies, but the vouchers for the expenditure of Rs. 100 were not produced for audit. Although it is now nearly 3 years since the expenditure was booked vouchers requisitioned by Audit are not received. The Secretary, Schools Committee, has been requested to expedite the matter.

M.C.A.2969/II — 27-7-1942

As reported last year an advance of Rs. 100 was paid to the Supervisor of Handicrafts on 31st March 1942 and was straightway debited to the grant for 1941-42 although the expenditure for the examination held on 13th April 1942 was incurred in 1942-43.

M.C.A.3020/II — 20-8-1942

No reply has yet been received inspite of 5 reminders.

It appeared from the Schools Committee proceedings underlying their resolution No. 43 of 8th April 1942 that a number of books were purchased in excess of the requirement during 1941-42 owing to a set of books being ordered out twice over through mistake. In this connection the register of books in stock was called for from the Superintendent by Audit but it was observed that no register of stock of Urdu books purchased and those received gratis from authors or other institutions was maintained. Besides this, the actual stock taking of the books on hand showed that even after the distribution of prizes for which the books were purchased, the excess number of books was sufficient to serve the requirement of the next year too. The explanations of the persons responsible for the failure to keep proper account and for going in for fresh purchases without acquainting themselves of the books in hand were called for through the Secretary, Schools Committee. No reply is still received even after several reminders.

M.C.A.3627/II — 6-5-1943

Some supplementary paybills were passed and paid for by the Secretary's Office without making cross references on the original bills and the supplementary bills in order to prevent a claim being passed second time.

M.C.A.2599/II — 10-2-1942

Reply to audit reference is awaited.

As reported last year it was observed that a lady teacher who resigned from Municipal service on 14th March 1942, was charged for the full month of March 1942, in the paybill and was shown as effective in the absentee statement too and although subsequently the payment of the excess charge was withheld and credited back to salaries, her name was continued to be shown in the pay-bills for the months of April and May 1942. The Secretary, Schools Committee, has been written to, to issue necessary instructions and warning to the staff concerned.

M.C.A.3073/II — 8-9-1942

As reported last year the Supervisor of Handicrafts makes all purchases of wood required for the Municipal Central Schools direct from the market instead of from the Municipal Central Stores which supplies all kinds of wood to Municipal Workshops and the other Municipal Departments. Reference has been made in this connection to the Municipal Commissioner. Reply is awaited.

M.C.A.2425/II — 20-11-1941

The appointment of a peon made in permanent vacancy was without the sanction of the Schools Committee. The matter being referred to the Secretary, Schools Committee, due sanction of the Schools Committee was taken.

M.C.A.4010/II — 18-11-1943

The Secretary, Schools Committee, explained that the peon was acting in place of a permanent peon who died and the omission to obtain sanction in time was due to the information regarding his death having been received late from the Superintendent, Urdu Girls' Schools.

A bill pertaining to the year 1940-41 was found paid out of the renewed grant for 1941-42. The Secretary, Schools Committee, explained that the bill for 1940-41 was misplaced and hence the delay in its payment.

M.C.A.3199/II
6-11-1942

The registers of the imprest account and books and dead stock, maintained by the Marathi, Gujarati, Hindi Training Classes and the Rahimtulla Currimbhoy Training Institute were test-checked. Irregularities of the following kinds were noticed :—

M.C.A.3652/II
13-5-1943

(*a*) *Imprest Accounts*.—(1) No vouchers for sums below Rs. 0-8-0 were prepared. (2) Almost after every 3 days chalk sticks worth Rs. 3 were purchased for the Marathi Training Class. (3) The imprest account book of the Gujarati Training Class was not properly closed and signed at the end of the month. The Head Master was keeping a rough note book and was writing only the summary thereof in the imprest book. (4) In the imprest account books of the Hindi Training Class and the R. C. Training Institute the opening balances and recoupments were not recorded, vouchers were not serially numbered and were not defaced with "Paid" stamp.

(*b*) The registers of books of the Gujarati Training Class and the Rahimtulla Currimbhoy Training Class were not found written up properly in detail.

(*c*) The register of dead stock of the Rahimtulla Currimbhoy Training Institute was found incompletely written up.

As a result of audit reference the Secretary, Schools Committee, issued necessary instructions to set right the matter.

The irregularities found in the accounts of the binding class were reported last year. The Secretary, Schools Committee, has since reported that the audit suggestions for putting the accounts on proper lines were considered and necessary instructions were issued to the staff concerned. Reply to further reference made in this connection to the Secretary, Schools Committee, is awaited.

M.C.A.1042/II
19-4-1940
&
M.C.A.2777/II
28-4-1942

A Sub-tenant in the Lower Parel Gujarati Boys' School was found to have paid the rent only upto September 1943 and although a remark 'vacated' was made in the demand register no date of vacancy or attestation were found therein. On an audit query the Secretary, Schools Committee, reported that the premises were vacated in November 1942, but no report of its vacancy having been received from the Head Master, the office continued to recover the rent upto September 1943. It is surprising to note that the Sub-tenant who vacated the premises in November 1942 continued to pay rent to the Schools Committee till September 1943. The party now appears to have demanded a refund for the excess amount paid.

M.C.A.4140/II
27-1-1944

Discrepancies of the following kinds noticed in the miscellaneous bills paid from August to October 1940 were referred to the Secretary, Schools Committee, who has done the needful to set them right, wherever it was possible to do so :—

M.C.A.1535/II
29-11-1940

(1) Bills for periodicals passed without the necessary certificates of their receipts etc., by the librarians.

(2) Approval of the Chairman, Schools Committee, found wanting on 2 bills amounting to Rs. 220.

(3) Acquittance rolls for payment of stipends not obtained.

(4) Excess payment of Rs. 4-8-0 to the Furniture Removing Contractor.

(5) A duplicate bill passed for payment without the necessary certificate that the original was not passed previously.

The bills passed under voucher No. 1935 of 13th November 1941 included some duplicate bills without necessary certificates that the originals were not passed previously. There was also no certificate of the receipt of atricles for which the bills were paid. It was also observed that the office did not maintain a register showing sanctions, orders and the bills paid thereagainst as a safeguard against the same bills being passed twice over. As a result of audit reference, the Secretary, Schools Committee, has done the needful.

M.C.A.2458/II
2-12-1941

Due to non-payment of the electric bills for the Zaoba's Wadi Marathi Boys' School, the current was cut off by the B. E. S. & T. Co., and for reconnecting it a charge of Rs. 12 had to be paid by the Schools Committee. The question of responsibility of the persons concerned being referred to, the Secretary, Schools Committee, replied that the bill clerks of the accounts section had been since instructed to observe closely the register maintained by them, to note the payments of bills and call for the bills when not received.

M.C.A.3021/II
20-8-1942

The following irregularities were noticed in the Census Bills passed for payments :—

M.C.A.4128/II
19-1-1944

(1) Unpaid amounts of the bills were found detained in the office of the Special Attendance Officer for about 10 days instead of their being returned to the office after 2 days. The Secretary, Schools Committee, has since warned the employees concerned.

(2) The grant of Rs. 120 sanctioned by the Schools Committee for contingent expenses was found supplemented by Rs. 20 by the Secretary, Schools Committee. As the grant sanctioned by the Schools Committee, could only be increased by the Committee, the Secretary, Schools Committee, was requested to obtain formal sanction of the Schools Committee which was done (*vide* Schools Committee Resolution No. 1363 of 1st March 1944).

(3) The Census Staff was found to have been paid annas two each for stationery. It is suggested to the Secretary, Schools Committee, that it would be more economical to requisition the required quantity of stationery from the Municipal Contractors and to distribute it to the staff according to requirement before they start the work.

Two acting peons were charged for the full number of days for August 1943 in the pay-sheets of two different schools. After submission of the pay-sheets to office for payment, they were relieved from service, before the close of the month. Such changes are required to be communicated to the office in the effective certificates to enable the office to withhold payment to the persons concerned in time. The Head Mistresses concerned, whose duty it was to show the changes in effective certificates failed to do so for which their explanations were called for. One of them explained that

M.C.A.3995/II
5-11-1943

she forgot to report about the change while the other pleaded ignorance of the procedure. As such omissions are generally the cause of excess payments the procedure laid down for the preparation of bills and payment thereof should be strictly followed.

Deductions wrongly made from employees during the past years on account of income tax were found lying in the School Fund. A reference being made to the Secretary, Schools Committee, they were credited to the Municipal Fund as the persons to whom the recoveries belonged had since retired or had left service.

M.C.A.3876/II
11-9-1943.

In a number of cases it is observed that on the authority of the Schools Committee Resolutions sanctioning funds on the rough estimates of quantities and rates supplied by the Secretary, Schools Committee, the purchases of various kinds of articles are made by the office of the Secretary, Schools Committee. It may be observed that the sanction of funds by itself is no sanction for the quantities and rates of purchases. In such cases regular quotations for definite quantities should be invited and put before the Schools Committee showing the total cost thereof for sanction. This requirement being pointed out to the Secretary, Schools Committee subsequent sanctions of the Schools Committee were obtained in individual cases. It is, however, desirable to set up a proper procedure in the matter of purchases so as to avoid going over twice to the Committee.

M.C.A.1113/II
13-5-1940
M.C.A.4118/II
18-1-1944
M.C.A.4234/II
31-3-1944
M.C.A.3874/II
11-9-1943
M.C.A.3543/II
24-3-1943
&
M.C.A.3611/II
30-4-1943

The Head Mistress of Khetwadi Gujarati Girls' School was paid through the usual monthly pay-bill her full salary for April 1943 although she was on leave from 28th April 1943 to 2nd May 1943. To an audit query the Secretary, Schools Committee, replied that the Heads of schools were authorised to remain on casual leave upto two days at a time and therefore she was taken to be on casual leave on the 28th and 29th April 1943. On 30th April she was present but had left the school in the afternoon and hence her absence from 28th April 1943 to 2nd May 1943 was counted as continuous. In this connection it was observed by Audit that it was not a sound practice to authorise employees themselves to take casual leave. The Schools Committee have however, decided to continue the practice. (*Vide* their Resolution No. 955 of 1st December 1943).

M.C.A.3732/II
30-6-1943

It was noticed that the advances given to the local committee clerks for contingent expenses were wrongly debited in the year 1927-28 to the expenditure of that year instead of to the advance account. Thus the books of the School Fund did not show these advances although the sums were in the hands of the clerks. This discrepancy appears to have been detected by the Secretary, Schools Committee's office in 1943-44 and set right by debiting the advance account and crediting the expenses account of that year. It may be observed that audit has set up a practice of calling for annual certificates for the standing advances in the hands of different officers and departments of the Municipality but the office of the Secretary, Schools Committee, did not send any certificate for the amounts in the hands of the committee lcerks. To an audit query the Secretary, Schools Committee, explained that as the amounts were written off to expenditure the certificates remained to be demanded and submitted to audit in the past.

M.C.A.3966/II
21-10-1943

It may be remarked that the certificates are called for from the officers and the departments to avoid such errors and omissions and therefore should be called upon to submit independently the certificates of the amounts in their hands and such certificates when received should be compared with the registers.

An Assistant Lady teacher was charged for the full month of March 1943, but as she was absent from 29th March 1943 necessary remark was made in the effective certificate. The remark in the effective certificate escaped notice of the pay and audit clerk with the result that the teacher was paid for the days of absence although the leave was not sanctioned. Subsequently the teacher was granted leave on average pay for the period and hence there was no question of recovery. It may, however, be observed that if the effective certificates were carefully scrutinised before making payments such irregularities would not occur.

M.C.A.3731/II
30-6-1943

On going through the papers regarding the payment of Rs. 69-2-3 under voucher No. 2831 of 15th Januray 1943, in connection with a V. P. for certain books received from a dealer outside Bombay it was observed that some books which were not required or ordered out by the Schools Committee's Office were received and paid for. A reference being made to the Secretary, Schools Committee, in this connection extra payment of Rs. 8-8-0 made to the dealer on account of these books has been recovered.

M.C.A.3583/II
14-4-1943

In the pay-bill passed under voucher No. 35 of 6th April 1943 the amount of the salaries was shown less by Re. 1 due to a mistake in totals. The mistake was compensated by a similar mistake in the figure of provident fund.

M.C.A.3733/II
30-6-1943

It may be observed that such compensating errors would not remain undetected in the checking stage of the pay-sheets unless the person responsible for checking them is in the habit of omitting independent checking of each column of the pay-sheets and summaries thereof.

As already observed in the previous year's report the accounts of advances forwarded by the officers were not placed before the Secretary, Schools Committee for approval. It was also noticed that articles worth about Rs. 902-4-0 were purchased without putting any written orders with the dealers. The matter was referred to the Secretary, Schools Committee, who replied that instructions were given to the officers concerned that the requirements should be carried out in future.

M.C.A.3566/II
8-4-1943

No account was being maintained of the cheque books brought from the Bank and issued, so as to have a check over the cheque books on hand. On an audit reference needful was done.

M.C.A.3675/II
25-5-1943

Amounts of Rs. 180 and Rs. 210 were remitted to Training Colleges under vouchers Nos. 3046 of 10th February 1943 and 62 of 10th April 1943 respectively for payment of stipends to teachers under training but their acknowledgments were not obtained till 14th April 1943 and 5th November 1943 respectively. Needful was done on reference by audit.

M.C.A.3581/II
14-4-1943
&
M.C.A.3992/II
5-11-1943

As mentioned in the last year's report a separate report was made by the Municipal Chief Auditor to the Standing Committee on the excess payment of Rs. 955 on account of the provident fund advance made to a teacher by the Schools Committee's Office. (*Vide* Standing Committee Resolution No. 261 of 20th May 1942).

M.C.A.2828/II
14-5-1942

The Schools Committee in the first instance fined the teacher Rs. 10 for his failure to report the mistake committed by the office to his superior officers. The fine was duly recovered and then on reconsideration it was condoned and refunded to the teacher. The Standing Committee referred the question back to the Schools Committee thrice over for reconsideration of the question of taking disciplinery action against the persons responsible for the payment but the Schools Committee having adhered to their former decision that no further action was necessary, the matter was recorded by the Standing Committee (*vide* Standing Committee Resolution No. 1520 of 27th December 1943) and by the Corporation (*vide* Corporation Resolution No. 877 of 13th January 1944).

V.—Non-observance of the Municipal Service Regulations.

An assistant teacher of the Bhuleshwar Central Gujarati School was reported to be working as a Revenue and Police Patel in Nadiad Taluka while on leave without sanction of the Schools Committee. He had also drawn salary from the Municipality for the period from 1st April 1943 to 30th June 1943 and from 3rd August 1943 to 7th August 1943, and was treated as relieved from Municipal service from 8th August 1943. A Municipal Servant cannot draw remuneration from both these sources at a time. In reply to audit query it was explained that the office of the Secretary, Schools Committee, had no knowledge that the employee had taken up service under the Government, and that a proposal had since been made to the Schools Committee to recover the payment from the provident fund of the employee concerned.

M.C.A.3990/II
5-11-1943

A further report from the Secretary, Schools Committee is awaited.

A case was noticed where an acting person was paid before the question of the absence of permanent incumbent in whose vacancy he was appointed to act was decided. Three other cases were also noticed where persons were appointed to act during vacation in place of permanent incumbents who were to be treated as on duty during that period under Rule 97(*b*) of the Municipal Service Regulations.

M.C.A.467/II
20-7-1939

The matter being referred to the Secretary, Schools Committee, she has issued necessary instruction to stop these irregular practices.

Under Rule No. 9(*a*)(*i*) of the Municipal Service Regulations no person who has already completed 6 months' service in the Municipality is to be continued in such employment etc., unless he produces a medical certificate of fitness. Mr. P. D. Patil had not produced such a certificate though he was appointed as full time drawing teacher from 1-12-1942. On a reference from audit on 6-1-1944, necessary certificate was obtained.

M.C.A.4094/II
6-1-1944

The security of Rs. 2,000 fixed for the Cashier's post in the Schools Committee's office seemed inadequate in view of the fact that he had to keep in his hands the average daily cash balance of about Rs. 5,000. As a result of a note to the Secretary, Schools Committee, the amount of security was increased to Rs. 3,000 *vide* Corporation Resolution No. 207 of 14-6-1943, which the Cashier has since furnished.

M.C.A.3048/II
31-8-1943

As reported in the previous audit report the security of Rs. 250 fixed for the teacher-in-charge of the Schools Committee's Printing Press (*vide* Corporation Resolution No. 902 of 7-1-1943) at the instance of audit had not been furnished. As a result of reminders necessary security was at last furnished on 5-7-1943.

M.C.A.1701/II
18-2-1941

VI.—General.

In the year 1927 the instalment promotion rules were modified by the Schools Committee (*Vide* Schools Committee Resolution No. 198 of 8-7-1927). It was then stipulated that the teachers would get benefit of the instalment promotion system if they passed the higher training examination within five years from the date of their modification *i.e.*, before 1-4-1932. In one case a head mistress took up the course of training for the 2nd year and passed it after 1-4-1932 and yet she is being granted the benefit of the instalment promotion rules as a 2nd year trained teacher.

M.C.A.4142/II
27-1-1944

In this connection it may be observed that the Schools Committee submitted a list of certain teachers to the Corporation and obtained their approval for giving them the benefit of the old instalment promotion Rule No. 4 in terms of the aforesaid Resolution of the Schools Committee of 1927. In this list this particular lady was shown as entitled to the benefit of the promotion rules as a first year trained teacher. However, subsequently the Schools Committee under their Resolution No. 1309 of 10-2-1943 decided to give the benefit as a 2nd year trained teacher and paid her the difference in salary after obtaining additional grant with the sanction of the Corporation. The fact that the teacher was proposed to be granted benefit in the 2nd year trained teachers' grade as a special case was not specifically put before the Corporation for modification of their previous resolution, according to which the lady was entitled only to the benefit as a first year trained teacher. In reply to audit query the Secretary, Schools Committee, argued to say that the sanction of the Corporation to an additional grant was as good as a sanction or approval to the payment of the benefit to the lady as a 2nd year trained teacher.

It may be remarked that although the Schools Committee are endowed with full powers to determine the salaries of the teachers, the audit cannot look with equanimity on this question as there may be many more teachers who may have taken up the course of training and passed it after 1-4-1932, and are drawing this salary in the time scales according to the modified rule.

Under Schools Committee Resolution No. 563 of 11th August 1943, Mr. K. V. Chaughule was appointed as a full time Music Teacher and it was laid down that the conveyance allowance should be paid to him if and when he was asked to work in more than one school. As Mr. Chaughule had drawn conveyance allowance from 31st August 1943 to 30th September 1943 the Secretary, Schools Committee, was requested to state whether Mr. Chaughule had been asked to work regularly in any other school and whether his attendance in that school was properly recorded and certified by the Head of the School for charging Rs. 10 as conveyance allowance. Reply from the Secretary, Schools Committee is awaited.

M.C.A.4012/II
22-11-1943

The Schools Committee make purchases of large quantities of clothing required for the School Peons. Clothing of about Rs. 1,000 required for the Boy Scout Department annually is also purchased by the Committee directly.

M.C.A.3926/II
27-9-1943

The Municipal Commissioner was, therefore, requested to consider the feasibility of including all items of clothing required annually by the Schools Committee in the General contract for the supply of clothing and to settle the matter in consultation with the Secretary, Schools Committee.

No reply has yet been received.

M.C.A.3781/II — 21-7-1943

In reply to an audit note issued in 1941, the Secretary, Schools Committee, stated that the work of printing and binding that was being done at the Schools Committee's Printing Press had since been stopped. She was therefore, requested to send a list of machinery and dead stock articles of the Press and to state what was proposed to be done with the machinery and the deadstock articles. The question being put before the Schools Committee, by the Secretary they have requested her to report whether the articles could be made use of by the Schools Committee in one way or the other. Reply is still awaited.

M.C.A.3700/II — 14-6-1943

It appeared from the Schools Committee Resolution No. 202 of 12th May 1943 that the Schools Committee were carrying out the work of inspection of the Primary Sections of the English Teaching Schools on behalf of the Government. It was, therefore, enquired of the Secretary, Schools Committee, why all expenses in respect of the salary of staff etc., incurred in connection with the work be not recovered from the Government. The Secretary placed the matter before the Schools Committee who under their resolution No. 386 dated the 21st July 1943, resolved that such expenses be recovered from the Government and have written to the Corporation to represent to Government to contribute towards the additional expenditure incurred by the Schools Committee in carrying out this function. Result is awaited.

M.C.A.2469/II — 3-12-1941 & M.C.A.3003/II — 7-8-1942

A sum of Rs. 40 spent for free suppply of clothes to poor pupils attending Municipal Schools was held to be illegal (*vide* Standing Committee Resolution No. 925 of 25th October 1941). It was also noticed that a further expenditure of Rs. 57-9-0 was sanctioned by the Schools Committee under their resolution No. 1798 of 25th March 1942 and paid for under voucher No. 3833 of 31st March 1942.

The Secretary, Schools Committee explained that this expenditure was incurred before the Schools Committee was apprised of the orders of the Standing Committee, that this class of expenditure was illegal. The payment of this bill which would have been made in the ordinary course in May 1941 was delayed due to the bill having been misplaced and therefore it was sanctioned and was paid on 31st March 1942.

M.C.A.3023/II — 20-8-1942

On enquiry as to the cause for the payment of wharfage of Rs. 7-10-0 under voucher No. 3377 of 12th March 1942 it was explained that it was for a Railway parcel of 50 copies of the magazine "Anand" which had some how remained undelivered at the Railway Office for some months and which parcel was misunderstood by the person, who was sent to receive the same, as a parcel of forms urgently required from Yerwada Prison Press. As there appeared to be no remedy to the case after payment, the payment was sanctioned.

M.C.A.1431/II — 4-10-1940

A case was reported during the previous 2 years wherein an order was placed with a Furniture Removing Contractor to remove furniture of a school although the furniture had already been removed previously and the contractor had to be paid Rs. 4. There was also an excess payment of Rs. 3 to the Contractor, which has since been recovered but no reply to audit query is yet received.

M.C.A.2394/II — 12-11-1941

In one case the salary of a custodian was withheld for an alleged theft of certain gymnastic articles from the compound of the Schools and subsequently paid. The Secretary, Schools Committee, was therefore, requested to state whether the missing articles had been received back. No reply is received inspite of 5 reminders.

M.C.A.3649/II — 11-5-1943

Messrs. Shivlal Chimanlal were entrusted with the work of removing shahabad stones from the compound of the Byculla Marathi Boys' School. It was enquired of the Assistant Engineer (Architect) as to where the slabs had been removed and to what head of account the credit was given. The reply received showed that the slabs had been stacked in the compound of the DeLisle Road Central School. The Secretary, Schools Committee, informed the Assistant Engineer (Architect) that the stones may be used for some other Municipal work and credit be given to the School Fund.

Final disposal of the matter is awaited.

M.C.A.3646/II — 11-5-1943

The City Engineer was entrusted with the work of cutting down trees in the compounds of the different school buildings and the bills therefor amounted to Rs. 104-10-0. As however, no credit was found to have been given to the School Fund for the disposal of the wood enquiry was made with the City Engineer who stated that credit to the extent of Rs. 13-9-0 would be given to the School Fund for the wood used by his Department on the works.

As the credit proposed to be given is very meagre as compared with the cost of cutting of the wood, the City Engineer was requested to forward reports of the inspectors under whose supervision the work of cutting the trees was done. The reports received from him show that in two cases the wood was left in charge of the Head Masters of the Schools and in three cases the papers are not traceable. It is a matter for further inquiry by the Secretary, Schools Committee, what the Head Masters did with the wood in the three cases where the papers are not traceable.

M.C.A.3782/II — 21-7-1943

Since the year 1938-39 the Municipal Chief Auditor has been insisting upon the Schools Committee to show the rents of school buildings constructed at Municipal cost in the expenditure of the School Fund. (See annual reports from the year 1938-39 onwards) and accordingly the Schools Committee under their resolution No. 1332 of 22nd December 1941 have directed Superintendent of Accounts to show the rent of buildings on the expenditure side of the School Fund Budget. It appears however, that the proposal of fixing nominal rents of the School buildings constructed at Municipal cost, which was referred to the Corporation was mixed up later on with the question of forming a scheme for the construction of school buildings in the City in Co-operation with the Government. The latter question is however, held in abeyance under Corporation Resolution No. 1119 of 9th March 1942, as recommended by the Law, Revenue and General Purposes Committee under their resolution No. 167 of 5th February 1942, on the ground that in view of the prevailing abnormal time due to war it is not advisable to approach Government for a grant for construction of school buildings.

The Secretary, Schools Committee, has however, been again advised to take up the question of fixing nominal rents and do the needful early to show the expenditure on account of the rents in the accounts of the School Fund.

VII.—Reports submitted to the Standing Committee.

M.C.A.3890/II
15-9-1943

As reported to the Standing Committee (*vide* Standing Committee Resolution No. 1719 of 2nd February 1944) the Schools Committee had decided to pay the rent to a landlady for the months of December 1942 to June 1943 at the rate of Rs. 25 per month although the premises were vacated on 30th November 1942 and the landlady was asked to take possession thereof. The procedure adopted by the Schools Committee to pay rent for the period during which the premises were not in their possession was disapproved by the Standing Committee and the Corporation (*vide* Standing Committee Resolution No. 1719 of 2nd February 1944 and Corporation Resolution No. 1197 of 13th March 1944). The Schools Committee have accordingly withdrawn their orders to pay the rent for the period (*vide* their resolution No. 23 of 26th April 1944).

M.C.A.3460/II
25-2-1943

As reported last year a reference has been made to the Standing Committee on the irregularities observed in the accounts of the libraries which were till the year 1942-43 under the control of the Schools Committee. The Standing Committee have called for the remarks of the Schools Committee (*vide* Standing Committee Resolution No. 1898 of 3rd March 1943) who have requested their Secretary to obtain necessary explanations from the Supervising Officers and from the Librarians concerned and the report of the Secretary, Schools Committee, thereon is under the consideration of the Schools Committee.

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1943–44.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total	Infants.	Other standards.	Total									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st March 1943.															
Marathi Schools	13,976	31,997	45,973	233	914	1,147	1,611	426	1,185	...	1,185	38	...	45	
Gujarati Schools	4,064	7,233	11,297	88	207	295	399	85	314	...	314	19	...	50	
Urdu Schools	6,890	8,205	15,095	115	205	320	381	51	330	...	330	10	...	32	
Rest	1,321	1,969	3,290	21	50	71	119	37	82	...	82	11	...	6	
Total ...	26,251	49,404	75,655	457	1,376	1,833	2,510	599	1,911	...	1,911	78	...	133	
As on 1st April 1943.															
Marathi Schools	14,116	32,163	46,279	235	919	1,154	1,605	426	1,179	...	1,179	25	...	90	
Gujarati Schools	4,069	7,262	11,331	68	208	276	399	84	315	...	315	39	...	31	
Urdu Schools	7,035	8,111	15,146	117	203	320	385	51	334	...	334	14	...	38	
Rest	1,301	1,936	3,237	22	48	70	117	37	80	...	80	10	...	8	
Total ...	26,521	49,472	75,993	442	1,378	1,820	2,506	598	1,908	...	1,908	88	...	167	
As on 1st May 1943.															
Marathi Schools	13,900	27,068	40,968	232	677	909	1,602	218	1,384	...	1,384	475	...	19	
Gujarati Schools	4,057	6,044	10,101	68	151	219	398	75	323	...	323.	104	...	7	
Urdu Schools	6,918	7,923	14,841	173	198	371	386	52	334	...	334	...	37	30	
Rest	1,324	1,736	3,060	22	44	66	117	37	80	...	80	14	...	3	
Total ...	26,199	42,771	68,970	495	1,070	1,565	2,503	382	2,121	...	2,121	593	37	59	
As on 1st June 1943.															
Marathi Schools	All the Municipal Schools were closed in the month of May 1943.														
Gujarati Schools															
Urdu Schools															
Rest															
Total ...															

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st July 1943.															
Marathi Schools	12,532	37,362	49,894	208	934	1,142	1,595	324	1,271	...	1,271	129	...	77	
Gujarati Schools	3,341	8,615	11,956	56	215	271	396	104	292	...	292	21	...	19	
Urdu Schools	5,786	9,452	15,238	145	236	381	381	98	283	...	283	...	98	28	
Rest	844	2,434	3,278	14	60	74	116	38	78	...	78	4	...	5	
Total ...	22,503	57,863	80,366	423	1,445	1,868	2,488	564	1,924	...	1,924	154	98	129	
As on 1st August 1943.															
Marathi Schools	13,944	39,573	53,517	233	989	1,222	1,586	352	1,234	...	1,234	12	...	80	
Gujarati Schools	3,970	9,101	13,071	66	228	294	396	107	289	...	289	...	5	20	
Urdu Schools	6,398	9,800	16,198	159½	245½	405	435	105	330	...	330	...	75	37	
Rest	1,066	2,485	3,551	18	62	80	144	68	76	...	76	...	4	4	
Total ...	25,378	60,959	86,337	476½	1,524½	2,001	2,561	632	1,929	...	1,929	12	84	141	
As on 1st September 1943.															
Marathi Schools	16,457	40,640	57,097	274	1016	1,290	1,593	360	1,233	...	1,233	...	57	71	
Gujarati Schools	4,584	9,396	13,980	76	235	311	399	108	291	...	291	...	20	...	
Urdu Schools	6,989	9,623	16,612	175	241	416	453	107	346	...	346	...	70	34	
Rest	1,352	2,559	3,911	22	63	85	146	70	76	...	76	...	9	3	
Total ...	29,382	62,218	91,600	547	1,555	2,102	2,591	645	1,946	...	1,946	...	156	108	
As on 1st October 1943.															
Marathi Schools	16,441	40,569	57,010	274	1,014	1,288	1,641	360	1,281	...	1,281	...	7	90	
Gujarati Schools	4,511	9,417	13,928	75	236	311	415	108	307	...	307	...	4	24	
Urdu Schools	6,915	9,480	16,395	173	237	410	465	107	358	...	358	...	52	35	
Rest	1,378	2,551	3,929	23	63	86	157	70	87	...	87	1	...	6	
Total ...	29,245	62,017	91,262	545	1,550	2,095	2,678	645	2,033	...	2,033	- 1	63	155	

APPENDIX "C"

Statement of Pupils and Teachers in Municipal Schools 1943-1944.

Side.	No. on Rolls.			Teachers required for			Total teachers engaged.	Teachers assigned for leave vacancies.	Teachers available.	Teachers to be shortly appointed.	Total teachers available.	Excess.	Deficit.	Teachers on leave.	Remarks.
	Infants.	Other standards.	Total.	Infants.	Other standards.	Total.									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
As on 1st November 1943.															
Marathi Schools	21,122	40,593	61,715	352	1,015	1,367	1,641	364	1,277	...	1,277	...	90	86	
Gujarati Schools	4,855	9,424	14,279	81	236	317	414	108	306	...	306	...	11	23	
Urdu Schools	7,478	9,398	16,876	187	235	422	464	108	356	...	356	...	66	38	
Rest	1,675	2,583	4,258	28	64	92	158	69	89	...	89	...	3	6	
Total ...	35,130	61,998	97,128	648	1,550	2,198	2,677	649	2,028	...	2,028	...	170	153	
As on 1st December 1943.															
Marathi Schools	22,435	40,088	62,523	374	1,002	1,376	1,677	363	1,314	...	1,314	...	62	103	
Gujarati Schools	5,151	9,387	14,538	86	235	321	417	108	309	...	309	...	12	38	
Urdu Schools	7,812	9,187	16,999	196	229	425	487	107	380	...	380	...	45	36	
Rest	1,728	2,596	4,324	29	65	94	164	72	92	...	92	...	2	6	
Total ...	37,126	61,258	98,384	685	1,531	2,216	2,745	650	2,095	...	2,095	...	121	183	
As on 1st January 1944.															
Marathi Schools	19,278	40,021	59,299	321	1,001	1,322	1,636	360	1,276	...	1,276	...	46	111	
Gujarati Schools	5,665	9,401	15,066	95	235	330	417	109	308	...	308	...	22	34	
Urdu Schools	7,918	9,061	16,979	198	226	424	485	107	378	...	378	...	46	45	
Rest	1,815	2,702	4,517	31	67	98	165	71	94	...	94	...	4	4	
Total ...	34,676	61,185	95,861	645	1,529	2,174	2,703	647	2,056	...	2,056	...	118	194	
As on 1st February 1944.															
Marathi Schools	26,062	39,747	65,809	406	994	1,400	1,740½	360	1,380½	...	1,380½	...	19½	94	
Gujarati Schools	5,945	9,410	15,355	99	236	335	430	109	321	...	321	...	14	38	
Urdu Schools	8,317	8,957	17,274	208	223	431	492	107	385	...	385	...	46	53	
Rest	1,959	2,709	4,668	33	69	102	166	71	95	...	95	...	7	3	
Total ...	42,283	60,823	1,03,106	746	1,522	2,268	2,828½	647	2,181½	...	2,181½	...	86½	188	

MUNICIPAL CHIEF AUDITOR'S REPORT.

No. M.C.A. 318/IV of 1944-45.

BOMBAY, *5th October 1944*.

FROM

R. C. MEHTA, Esquire, F.S.A.A., R.A.,

MUNICIPAL CHIEF AUDITOR,

BOMBAY.

To

THE MUNICIPAL SECRETARY,

BOMBAY.

RE.—OUTSTANDING BALANCES OF RATES AND TAXES ON 31ST MARCH 1944.

Sir,

In compliance with the Town Council Resolution No. 1455, dated the 6th October 1879 and with reference to Section 137 of the City of Bombay Municipal Act, I have the honour to submit my report on the examination of outstanding bills of Municipal rates and taxes, Additional General (Riot) Taxes, Urban Immovable Property Tax, Street Number Plates and Meter Hire, which were in the hands of the Ward Superintendents in the several Ward Offices and in the Office of the Assessor and Collector on the 31st March 1944. The details of the outstanding amounts from year to year pertaining to different Wards are given in the Statements 'A', 'B' and 'C' appended hereto. The outstandings on 31st March 1944 under different heads are summarised below:—

Particulars.	No. of bills.	Amount.			REMARKS.
		Rs.	a.	p.	
(*a*) Property taxes including Wheel Tax.	21,821	25,48,866	6	3	Exclusive of Urban Immoveable Property Tax amounting to Rs. 7,71,210-3-6.
(*b*) Meter Hire ...	130	3,621	0	0	
(*c*) Street Number Plates ...	38	70	0	0	
(*d*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	...	2,86,494	1	0	
(*e*) Additional General Tax No. V.	143	6,268	8	0	
(*f*) Additional General Tax No. VI.	5	60	13	0	
(*g*) Additional General Tax No. VII.	28	103	1	0	
(*h*) Additional General Tax No. VIII.	3	28	9	0	
(*i*) Additional General Tax No. X.	244	25,767	11	0	
(*j*) Additional General Tax No. XI.	16	87	4	0	
(*k*) Additional General Tax No. XII.	92	2,439	4	0	
(*l*) Additional General Tax No. XIII.	11	519	6	0	
(*m*) Additional General Tax No. XIV.	60	101	12	0	
(*n*) Additional General Tax No. XV.	268	3,275	10	0	
(*o*) Urban Immoveable Property Tax ...	*	7,71,210	3	6	*The bills outstanding for Urban Immoveable Property Tax are included in the number of bills shown under Item (*a*) above.
Total ...	22,859	36,48,913	8	9	

(2). The outstanding balances under (*a*), (*b*), (*c*) and (*d*) above as compared with those of the previous year were as follows :—

No.	Particulars.	Outstanding on 31st March 1943.	Outstanding on 31st March 1944.
		Rs. a. p.	Rs. a. p.
1	(*a*) Payment by Government in lieu of General Tax under Section 144 of the Municipal Act ...	14,37,321 7 10	2,86, 494 1 0
	(*b*) Government (Property Taxes) ...	1,04,248 4 0	87,908 10 0
2	Bombay Port Trust ...	876 13 0	27,443 10 0
3	Bombay Municipal Corporation (Improvements) ...	12 624 5 0	61,659 12 0
4	G. I. P. Railway ...	18,862 13 0	47,883 2 0
5	B. B. & C. I. Railway ...	84,269 3 0	90,052 2 0
6	Mills ...	4,285 8 0	1,68,957 10 0
7	Other ratepayers ...	21,57,327 4 3	20,64,961 8 3
	Total Rs. ...	38,19,815 10 1	28,35,360 7 3
8	Meter Hire ...	2,875 12 0	3,621 0 0
9	Street Number Plates ...	327 8 0	70 0 0
	Grand Total Rs. ...	38,23,018 14 1	28,39,051 7 3

1. (*a*) The sum of Rs. 2,86,494-1-0 represents amount payable by Government for the period from 1934-35 to 1943-44 in respect of Military and Police Hospitals.

During the year, the sum of Rs. 11,77,677-10-0 payable by the Government for the period 1934-35 to 1942-43 in connection with certain Government Medical and Educational Institutions has been treated as cancelled as they were exempted from payament of General Tax as per the High Court decision, dated the 17th March 1943.

(*b*) This amount is in respect of Water & Special Halalkhore charges for Government properties covered by the award.

2. The sum of Rs. 27,443-10-0 is in respect of the Special Halalkhore Tax and the Water Charges.

3. The taxes amounting to Rs. 61,659-12-0 due by the Bombay Municipal Corporation (Improvements) is a matter of departmental adjustment which should have been effected before closing the accounts.

4. Out of the amount of Rs. 47,883-2-0 a sum of Rs. 32,519-6-0 has been received and the balance of Rs. 15,363-12-0 is outstanding due to some dispute regarding water charges.

5. Out of the sum of Rs. 90,052-2-0, an amount of Rs. 53,196-2-0 has been collected leaving a balance of Rs. 36,856-0-0 as outstanding. However, from these outstandings of Rs. 36,856-0-0, the dispute has been settled in respect of a sum of Rs. 35,881-1-0, leaving still a balance of Rs. 974-15-0 under dispute.

6. Out of the outstandings of Rs. 1,68,957-10-0, Rs. 84,858-4-0 have been collected and Rs. 63,932-5-0, received on account and held in deposit, are to be adjusted after the disposal of complaints.

7. The outstandings of Rs. 20,64,961-8-3 from the general rate-payers consist of Rs. 1,50,000-0-0 involved in suits filed and to be filed, Rs. 87,000-0-0 due from the Court Receiver and the Official Assignee and Rs. 10,50,000-0-0 for amended bills issued in March 1944, and the balance of Rs. 7,77,961-8-3 which is 3.02 per cent. of the demand of about Rs. 2,58,00,000 is explained by the Assessor & Collector as falling within the control of the staff.

(3) Number of bills and amounts outstanding on account of Property and Wheel Taxes from year to year were as under :—

Year.	No. of Bills.	Outstanding on 31st March 1943.	No. of Bills.	Outstanding on 31st March 1944.
		Rs. a. p.		Rs. a. p.
1926-27	2	1,520 10 0	2	1,520 10 0
1927-28	2	2,273 2 0	2	2,273 2 0
1928-29	...	...	...	...
1929-30	...	...	...	...
1930-31	6	630 7 0	4	392 10 0
1931-32	12	4,440 6 0	4	462 10 0
1932-33	39	11,381 6 0	16	1,940 8 0
1933-34	55	17,065 10 0	24	2,613 13 0
1934-35	74	18,818 13 0	33	3,568 12 0
1935-36	94	30,300 11 0	44	5,389 4 0
1936-37	171	32,629 5 0	58	4,717 12 0
1937-38	227	29,767 2 0	83	6,597 15 0
1938-39	358	38,552 7 0	126	11,577 4 0
1939-40	609	50,275 8 6	219	19,318 13 0
1940-41	1,036	91,882 14 6	334	29,664 3 0
1941-42	1,822	1,99,901 11 0	498	43,922 13 0
1942-43	11,567	18,53,054 1 3	4,231	2,58,629 5 6
1943-44	...	...	16,143	21,56,276 15 9
Total ...	16,074	23,82,494 2 3	21,821	25,48,866 6 3
Add—Payment by Government in lieu of General Tax		14,37,321 7 10		2,86,494 1 0
Grand Total ...		38,19,815 10 1		28,35,360 7 3

The percentage of all the outstandings in respect of Property Taxes and Wheel Tax to the total demand was 7.93 as against 11.29 for the previous year showing a decrease of 3.36.

(4) A statement of the transaction for the year is as follows :—

	Rs. a. p.
Property and Wheel Tax:—	
Balance on 1st April 1943	38,19,815 10 1
Add—	
Demand during the year	3,19,24,713 10 8
	3,57,44,529 4 9
Less—	
Recoveries during the year	3,29,09,168 13 6
Balance on 31st March 1944—exclusive of amount of bills for meter hire and street number plates	28,35,360 7 3

(5) The amounts of drawbacks and refunds allowed during the year under report were Rs. 1,67,928-10-0 and Rs. 4,00,422-6-0 respectively, as against Rs. 3,44,823-3-0 and Rs. 1,97,240-5-0 during the previous year. The total amount written off during the year with the sanction of the Standing Committee under Section 216 of the Municipal Act was Rs. 52,910-6-6.

(6) The total number of bills for property taxes, wheel tax, additional general tax, meter hire and street number plates for examination on 31st March 1944 was 22,859. Some of these bills were not produced for examination as they were stated by the Assessment Department to have been either in respect of dishonoured cheques, or filed in suits pending in Courts or sent to Government for payment.

I have the honour to be,
Sir,
Your most obedient servant,

MUNICIPAL OFFICES,
BOMBAY, 5th October 1944.

R. C. MEHTA,
Municipal Chief Auditor.

PUNJAB CIVIL SECRETARIAT
Dated..................
LIBRARY LAHORE

STATEMENT A

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of Bills.	Amount.
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1926-27	E ...	2	960 2 0	311 7 0	...	...	249 1 0	...	...	1,520 10 0	...	1,520 10 0	...	...
1927-28	E ...	2	1,432 6 0	467 2 0	...	...	373 10 0	...	...	2,273 2 0	...	2,273 2 0	...	...
1930-31	B ...	2	139 14 0	68 8 0	...	...	54 12 0	...	...	263 2 0	...	263 2 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
	Total ...	4	221 8 0	95 2 0	...	...	76 0 0	...	...	392 10 0	...	392 10 0	...	...
1931-32	B ...	2	209 14 0	68 8 0	...	...	54 12 0	...	...	333 2 0	...	333 2 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
	Total ...	4	291 8 0	95 2 0	...	...	76 0 0	...	...	462 10 0	...	462 10 0	...	...

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year	Ward.	No. of bills.	DETAILS OF DEMAND										METER HIRE	
			General	WATER TAX			HALALKHORE TAX		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	No. of bills.	Amount.
			Tax.	On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1932-33	A ...	1	8 15 0	2 15 0	...	...	2 5 0	...	...	14 3 0	...	14 3 0	...	...
Do.	B ...	6	723 6 0	127 4 0	...	...	188 12 0	...	...	1,039 6 0	...	1,039 6 0	...	...
Do.	C ...	2	81 10 0	26 10 0	...	...	21 4 0	...	...	129 8 0	...	129 8 0	...	...
Do.	E ...	2	463 8 0	...	...	...	120 14 0	...	...	584 6 0	...	584 6 0	...	...
Do.	F ...	4	89 2 0	...	...	...	23 0 0	...	...	112 2 0	...	112 2 0	...	...
Do.	G ...	1	...	18 1 0	...	...	42 14 0	...	...	60 15 0	...	60 15 0	...	...
	Total ...	16	1,366 9 0	174 14 0	...	...	399 1 0	...	...	1,940 8 0	...	1,940 8 0	...	...
1933-34	A ...	4	32 4 0	10 10 0	...	...	8 6 0	...	...	51 4 0	...	51 4 0	...	...
Do.	B ...	6	723 6 0	127 4 0	...	...	188 12 0	...	...	1,039 6 0	...	1,039 6 0	...	...
Do.	C ...	5	173 11 0	56 11 0	...	...	45 4 0	...	...	275 10 0	...	275 10 0	...	...
Do.	E ...	2	463 8 0	0 2 0	...	...	120 14 0	...	...	584 8 0	...	584 8 0	...	...
Do.	F ...	5	110 2 0	...	...	...	31 1 0	...	...	141 3 0	...	141 3 0	...	...
Do.	G ...	2	328 14 0	107 4 0	...	...	85 12 0	...	...	521 14 0	...	521 14 0	...	...
	Total...	24	1,831 13 0	301 15 0	...	...	480 1 0		...	2,613 13 0		2,613 13 0		

STATEMENT A—*continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND										Meter Hire	
			General Tax.	Water Tax			Halalkhore Tax		Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.		
				On Value.	By meter measurement.	Compounded tax.	On Value.	At a special rate.					No. of Bills.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1934-35	A ...	4	35 0 0	10 10 0	...	...	8 6 0	...	...	54 0 0	...	54 0 0	...	...
Do.	B ...	6	750 0 0	181 10 0	...	...	188 12 0	...	...	1,120 6 0	...	1,120 6 0	...	...
Do.	C ...	8	466 4 0	71 8 0	...	...	111 14 0	...	...	649 10 0	...	649 10 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	503 12 0	151 2 0	...	...	120 14 0	...	...	775 12 0	...	775 12 0	...	...
Do.	F ...	8	158 12 0	...	...	...	42 12 0	...	...	201 8 0	...	201 8 0	...	...
Do.	G ...	3	412 13 0	123 14 0	...	...	95 3 0	...	...	631 14 0	...	631 14 0	...	...
	Total ...	33	2,435 15 0	538 12 0	...	...	594 1 0	...	...	3,568 12 0	...	3,568 12 0	...	...
1935-36	A ...	6	188 12 0	10 10 0	...	...	45 4 0	...	...	244 10 0	...	244 10 0	...	...
Do.	B ...	8	811 5 0	238 10 0	...	...	190 13 0	...	...	1,240 12 0	...	1,240 12 0	...	...
Do.	C ...	10	1,834 1 0	496 11 0	...	...	452 0 0	...	...	2,782 12 0	...	2,782 12 0	...	...
Do.	D ...	2	109 6 0	...	...	...	26 4 0	...	...	135 10 0	...	135 10 0	...	...
Do.	E ...	2	45 0 0	13 8 0	...	...	10 12 0	...	...	69 4 0	...	69 4 0	...	...
Do.	F ...	9	171 9 0	...	...	...	45 13 0	...	...	217 6 0	...	217 6 0	...	...
Do.	G ...	7	452 11 0	136 14 0	...	...	109 5 0	...	...	698 14 0	...	698 14 0	...	...
	Total ...	44	3,612 12 0	896 5 0	...	...	880 3 0	...	...	5,389 4 0	...	5,389 4 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of bills.	DETAILS OF DEMAND: General Tax.	Water Tax: On Value.	Water Tax: By meter measurement.	Water Tax: Compounded tax.	Halalkhore Tax: On Value.	Halalkhore Tax: At a special rate.	Tax on vehicles and animals.	Total of Municipal taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire: No. of Bills.	Meter Hire: Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1936-37	A ...	6	173 12 0	10 10 0	...	...	45 4 0	...	...	229 10 0	...	229 10 0	...	...
Do.	B ...	8	700 14 0	222 4 0	...	...	177 12 0	...	...	1,100 14 0	...	1,100 14 0	...	...
Do.	C ...	10	1,085 2 0	235 12 0	...	...	316 8 0	...	...	1,637 6 0	...	1,637 6 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	...	126 14 0	...	126 14 0	...	...
Do.	E ...	4	143 14 0	13 8 0	...	...	40 8 0	...	...	197 14 0	...	197 14 0	...	...
Do.	F ...	10	174 7 0	...	...	...	50 2 0	...	...	224 9 0	...	224 9 0	...	...
Do.	G ...	13	669 3 0	133 10 0	105 4 0	...	174 8 0	...	...	1,082 9 0	...	1,082 9 0	...	...
	Total ...	53	3,047 14 0	615 12 0	105 4 0	...	830 14 0	...	...	4,599 12 0	...	4,599 12 0	...	...
1937-38	A ...	8	301 8 0	98 6 0	...	...	78 10 0	...	...	478 8 0	...	478 8 0	...	...
Do.	T ...	4	...	...	1,366 2 0	...	...	...	...	1,366 2 0	...	1,366 2 0	...	...
Do.	B ...	8	742 14 0	235 14 0	...	...	188 12 0	...	...	1,167 8 0	...	1,167 8 0	...	...
Do.	C ...	14	1,092 6 0	20 6 0	...	...	281 0 0	...	...	1,393 12 0	...	1,393 12 0	...	...
Do.	D ...	2	100 10 0	...	...	...	26 4 0	...	...	126 14 0	...	126 14 0	...	...
Do.	E ...	7	199 9 0	31 7 0	...	...	66 15 0	...	...	297 15 0	...	297 15 0	...	...
Do.	F ...	11	184 5 0	18 6 0	...	...	60 3 0	...	...	262 14 0	...	262 14 0	...	...
Do.	G ...	18	672 12 0	168 2 0	262 0 0	...	175 8 0	...	...	1,278 6 0	...	1,278 6 0	...	...
	Total ...	72	3,294 0 0	572 9 0	1,628 2 0	...	877 4 0	...	...	6,371 15 0	...	6,371 15 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year.	Ward.	No. of Bills.	DETAILS OF DEMAND.							Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	METER HIRE.	
			General Tax.	WATER TAX.			HALALKHORE TAX.		Tax on Vehicles and animals.				No. of Bills.	Amount.
				On Value.	By Meter Measurement.	Compounded Tax.	On Value.	At a Special Rate.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1938-39	A ...	4	301 12 0	98 6 0	...	...	78 12 0	...	...	478 14 0	...	478 14 0	...	
Do.	G. P. R. ...	2	...	...	...	...	...	234 15 0	...	234 15 0	...	234 15 0	...	...
Do.	T ...	5	...	...	104 1 0	...	...	...	...	104 1 0	...	104 1 0	...	...
Do.	B ...	14	1,579 9 0	265 12 0	...	...	421 11 0	...	...	2,267 0 0	...	2,267 0 0	...	...
Do.	C ...	28	1,651 11 0	43 10 0	...	...	413 0 0	...	...	2,108 5 0	...	2,108 5 0	...	...
Do.	D ...	6	514 10 0	135 2 0	...	...	134 4 0	...	...	784 0 0	...	784 0 0	...	...
Do.	E ...	19	1,735 14 0	57 2 0	...	...	463 3 0	...	...	2,256 3 0	...	2,256 3 0	...	...
Do.	F ...	16	738 4 0	124 6 0	...	...	220 3 0	...	...	1,082 13 0	...	1,082 13 0	...	...
Do.	G ...	20	1,084 11 0	179 5 0	338 0 0	...	275 14 0	...	...	1,877 14 0	...	1,877 14 0	...	...
	Total ...	114	7,606 7 0	903 11 0	442 1 0	...	2,006 15 0	234 15 0	...	11,194 1 0	...	11,194 1 0	...	...
1939-40	A ...	2	234 10 0	76 8 0	...	...	61 4 0	...	...	372 6 0	204 0 0	576 6 0	...	...
Do.	G. P. R. ...	2	...	...	...	...	...	272 4 0	...	272 4 0	...	272 4 0	...	...
Do.	T ...	2	155 0 0	50 9 0	...	...	40 6 0	...	...	245 15 0	67 6 0	313 5 0	...	...
Do.	B ...	32	3,002 14 0	309 1 0	...	...	817 4 0	...	...	4,129 3 0	2,165 11 0	6,294 14 0	...	...
Do.	C ...	43	2,285 3 0	30 13 0	...	...	733 11 0	...	...	3,049 11 0	2,671 2 0	5,720 13 0	...	...
Do.	D ...	12	1 940 1 0	379 15 0	...	...	686 10 0	...	...	3,006 10 0	2,064 12 0	5,071 6 0	...	...
Do.	E ...	24	2,248 7 0	55 3 0	...	...	644 15 0	...	...	2,948 9 0	1,718 7 0	4,667 0 0	...	...
Do.	F ...	26	1,608 2 0	118 9 0	...	...	418 0 0	...	...	2,144 11 0	1,034 14 0	3,179 9 0	...	...
Do.	G ...	33	1,394 9 0	68 11 0	243 15 0	...	381 13 0	...	...	2,089 0 0	1,011 8 0	3,100 8 0	...	...
	Total ...	176	12,868 14 0	1,089 5 0	243 15 0	...	3,783 15 0	272 4 0	...	18,258 5 0	10,937 12 0	29,196 1 0	...	...

STATEMENT A—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1943.

Year.	Ward.	No. of Bills.	Details of Demand. General Tax.	Water Tax. On Value.	Water Tax. By Meter Measurement.	Water Tax. Compounded Tax.	Halalkhore Tax. On Value.	Halalkhore Tax. At a Special Rate.	Tax on Vehicles and animals.	Total of Municipal Taxes.	Urban Immoveable Property Tax.	Grand Total.	Meter Hire. No. of Bills.	Meter Hire. Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p	Rs. a. p	Rs. a. p	Rs. a. p.		Rs. a. p
1940-41	A ...	10	464 5 0	53 11 0	614 2 0	...	159 7 0	...	...	1,291 9 0	465 0 0	1,756 9 0	...	...
	G. P. R. ...	7	...	...	...	...	...	410 2 0	...	410 2 0	...	410 2 0	...	...
	B ...	41	4,423 11 0	235 14 0	...	...	1,161 5 0	...	...	5,820 14 0	3,321 10 0	9,142 8 0	...	...
	C ...	54	5,222 9 0	364 14 0	22 7 0	...	1,393 10 0	...	...	7,003 8 0	3,898 2 0	10,901 10 0	...	...
	D ...	19	2,891 7 0	33 8 0	556 9 0	...	772 13 0	...	...	4,254 5 0	2,293 12 0	6,548 1 0	...	...
	E ...	34	3,270 8 0	24 8 0	...	...	905 7 0	...	...	4,200 7 0	2,317 7 0	6,517 14 0	...	...
	F ...	30	1,728 0 0	149 6 0	...	...	451 14 0	...	...	2,329 4 0	1,096 3 0	3,425 7 0	...	...
	G ...	43	1,198 4 0	171 6 0	68 2 0	...	394 4 0	...	...	1,832 0 0	1,032 2 0	2,864 2 0	...	...
	Total ...	238	19,198 12 0	1,033 3 0	1,261 4 0	...	5,238 12 0	410 2 0	...	27,142 1 0	14,424 4 0	41,566 5 0	...	...
1941-42	A ...	11	823 2 0	168 9 0	...	...	277 6 0	...	...	1,269 1 0	995 12 0	2,264 13 0	...	...
	G. P. R. ...	13	35 1 0	...	...	...	9 2 0	615 13 0	...	660 0 0	...	660 0. 0	...	...
	T ...	6	153 14 0	50 4 0	72 6 0	...	40 1 0	...	...	316 9 0	81 7 0	398 0 0	...	...
	B ...	57	6,631 13 0	460 1 0	...	...	1,781 15 0	...	...	8,873 13 0	4,080 10 0	12,954 7 0	...	...
	C ...	74	8,062 10 0	575 7 0	...	11 1 0	2,237 6 0	...	...	10,886 8 0	4,988 11 0	15,875 3 0	...	...
	D ...	30	3,789 14 0	206 3 0	...	...	1,055 13 0	...	...	5,051 14 0	2,453 2 0	7,505 0 0	...	...
	E ...	64	4,675 3 0	401 13 0	...	...	1,315 2 0	...	...	6,392 2 0	2,583 8 0	8,975 10 0	...	...
	F ...	30	1,786 10 0	167 12 0	...	...	464 8 0	...	...	2,418 14 0	889 14 0	3,308 12 0	...	...
	G ...	61	2,797 9 0	358 11 0	...	...	821 12 0	...	...	3,978 0 0	1,665 3 0	5,643 3 0	...	...
	Total ...	346	28,755 12 0	2,388 12 0	72 6 0	11 1 0	8,003 1 0	615 13 0	...	39,846 13 0	17,738 3 0	57,585 0 0	...	...

STATEMENT A.—*Continued.*

Bills on account of Property Taxes, Urban Immoveable Property Tax and Meter Hire outstanding on 31st March 1944.

Year	Ward	No of bills	DETAILS OF DEMAND										Meter Hire	
			General Tax	Water Tax			Halalkhore Tax		Tax on vehicles and animals	Total of Municipal taxes	Urban Immoveable Property Tax	Grand Total	No of bills	Amount
				On Value	By meter measurement	Compounded tax	On Value	At a special rate						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		Rs. a. p.
1942-43	A ...	61	28,059 10 0	7,471 2 0	1,514 0 0	...	7,866 5 0	...	...	44,911 1 0	16,933 11 0	61,844 12 0	...	...
Do.	G.P.R. ...	37	1,882 5 0	...	109 13 0	...	491 0 0	4,474 12 0	...	6,957 14 0	...	6,957 14 0		
Do.	T. ...	48	1,094 3 0	320 12 0	1,019 10 0	...	281 3 0	...	...	2,715 12 0	264 14 0	2,980 10 0		
Do.	B ...	126	17,316 3 0	1,559 4 0	...	12 2 0	4,868 6 0	...	...	23,755 15 0	11,479 3 0	35,235 2 0		
Do.	C ...	137	17,269 1 6	2,704 14 0	200 6 0	30 14 0	4,811 3 0	...	...	25,016 6 6	11,113 9 0	36,129 15 6		
Do.	D ...	161	12,469 10 0	4,485 12 0	1,906 10 0	15 15 0	6,394 11 0	...	...	25,272 10 0	7,429 6 0	32,702 0 0		
Dol	E ...	114	8,143 6 0	2,438 3 0	350 9 0	24 12 0	2,240 15 0	...	...	13,197 13 0	4,138 0 0	17,335 13 0		
Do.	F ...	91	6,382 13 0	4,483 6 0	697 13 0	...	1,673 9 0	...	...	13,237 9 0	3,817 8 0	17,055 1 0		
Do.	G ...	160	8,452 6 0	1,991 0 0	1,339 12 0	...	2,576 14 0	...	...	14,360 0 0	4,213 14 0	18,573 14 0		
Total ...		935	1,01,069 9 6	25,454 5 0	7,138 9 0	83 11 0	31,204 2 0	4,474 12 0	...	1,69,425 0 6	59,390 1 0	2,28,815 1 6		
1943-44 ...	A ...	984	1,99,364 13 6	39,659 12 6	1,77,311 0 0	34 7 0	74,266 11 6	...	...	4,90,596 12 6	2,01,663 12 0	6,92,260 8 6	24	656 8 0
	GPR ...	448	3,617 5 0	80 1 0	2,21,637 7 0	...	945 1 0	18,472 7 0	...	2,44,752 5 0	...	2,44,752 5 0	37	1,669 12 0
	T ...	192	35,487 3 0	11,507 10 0	559 7 0	26 0 0	9,331 1 0	...	...	56,911 5 0	14,132 12 0	71,044 1 0	8	142 8 0
	B ...	750	1,16,652 6 0	32,394 1 0	4,937 15 0	243 10 0	31,143 15 0	...	...	1,85,371 15 0	73,341 1 0	2,58,713 0 0	8	138 0 0
	C ...	669	93,904 5 0	26,724 6 0	22,198 5 0	870 6 0	25,507 15 0	...	...	1,69,205 5 0	59,234 7 0	2,28,439 12 0	9	141 0 0
	D ...	870	1,43,164 15 6	42,558 11 6	19,230 8 0	169 1 0	40,642 15 0	...	...	2,45,766 3 0	96,358 12 6	3,42,124 15 6	14	384 0 0
	E ...	679	73,059 14 0	18,808 11 0	8,060 10 0	33 6 0	19,869 2 0	...	...	1,19,831 11 0	45,258 8 0	1,65,090 3 0	11	213 0 0
	F ...	578	95,854 3 3	27,481 12 0	6,929 4 0	32 2 0	27,035 0 0	...	...	1,57,332 5 3	55,609 9 0	2,12,941 14 3	7	117 12 0
	G ...	1283	1,49,274 5 0	20,410 3 0	22,730 4 0	54 11 0	51,410 9 0	...	...	2,43,880 0 0	1,23,121 2 0	3,67,001 2 0	12	158 8 0
	Total ...	6,453	9,10,379 6 3	2,19,625 4 0	4,83,594 12 0	1,463 11 0	2,80,112 5 6	18,472 7 0	...	19,13,647 13 9	6,68,719 15 6	25,82,367 13 3	130	3,621 0 0
	Grand Total	8,516	10,98,373 3 9	2,54,563 8 0	4,94,486 5 0	1,558 7 0	3,35,185 5 6	24,480 5 0	...	22,08,647 2 3	7,71,210 3 6	29,79,857 5 9	130	3,621 0 0

	13,305	Tax on Vehicles and Animals ...	3,40,219 4 0
	130	Meter hire bills ...	3,621 0 0
	38	Street No Plates ...	70 0 0
	870	Additional General Tax ...	38,651 14 0
		Amount due from Government in lieu of the General Tax under Section 144 of the Municipal Act for the year 1934-35 to 1943-44 ...	2,86,494 1 0
		Urban Immoveable Property Tax ...	7,71,210 3 6
Total ...	22,859		36,48,913 8 9

STATEMENT B.

Wheel Tax Bills Outstanding on 31st March 1944.

Ward	1936-37		1937-38		1938-39		1939-40		1940-41		1941-42		1942-43		1943-44	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	...	...	1	25 0 0	4	76 8 0	14	295 0 0	33	815 0 0	67	1,789 10 0	885	24,001 10 0	3364	83,443 14 0
B ...	...	...	3	90 0 0	1	40 0 0	2	60 0 0	10	353 5 0	10	251 11 0	376	11,385 1 0	957	26,443 7 0
C ...	...	...	1	20 0 0	1	25 0 0	13	281 5 0	24	693 8 0	7	260 0 0	376	10,003 0 0	876	22,233 10 0
D ...	3	70 0 0	2	50 0 0	1	25 0 0	...	...	6	137 0 0	27	717 6 0	651	15,884 10 0	1,805	43,982 5 0
E ...	...	...	...	...	...	...	6	142 8 0	5	69 5 0	13	400 0 0	598	17,129 6 0	1,496	38,951 2 0
F ...	...	...	2	25 0 0	2	165 0 0	3	190 0 0	6	160 0 0	11	325 0 0	272	7,492 5 0	712	16,464 11 0
G ...	2	48 0 0	2	16 0 0	3	51 11 0	5	91 11 0	12	294 0 0	17	332 5 0	138	3,308 5 0	480	11,110 1 0
Total ...	5	118 0 0	11	226 0 0	12	383 3 0	43	1,060 8 0	96	2,522 2 0	152	4,076 0 0	3,296	89,204 5 0	9,690	2,42,629 2 0

STATEMENT C.

Bills on account of Riot Taxes and Street number plates outstanding on 31st March 1944.

Ward.	A.G.T. V.		A.G.T. VI.		A.G.T. VII.		A.G.T. VIII.		A.G.T. X.		A.G.T. XI.		A.G.T. XII.		A.G.T. XIII.		A.G.T. XIV.		A.G.T. XV.		Street No. Plate.	
	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.	No. of Bills.	Amount.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.		Rs. a. p.
A ...	3	148 4 0	...	...	2	5 11 0	....	...	15	4,033 5 0	2	10 8 0	14	975 13 0	...	...	2	1 10 0	49	1,155 2 0	2	2 8 0
G.P.R....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Trust ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	5	12 0 0
B ...	41	2,036 14 0	5	60 13 0	26	97 6 0	3	28 9 0	49	2,238 9 0	...	...	12	356 8 0	4	368 9 0	5	19 0 0	31	575 0 0	...	...
C ...	11	725 10 0	...	...	...	...	...	...	36	6,481 2 0	14	76 12 0	8	53 9 0	5	144 14 0	14	29 6 0	26	276 1 0	2	3 0 0
D ...	30	2,853 14 0	...	...	...	...	...	...	38	10,003 6 0	...	...	10	130 13 0	1	0 15 0	3	2 7 0	20	267 2 0	9	11 4 0
E ...	35	122 6 0	...	...	...	...	...	...	65	1,329 13 0	...	...	9	187 7 0	1	5 0 0	10	19 15 0	51	468 1 0	15	33 12 0
F ...	13	195 14 0	...	...	...	...	...	...	12	662 8 0	...	...	9	103 12 0	...	...	6	1 6 0	30	332 13 0	...	...
G ...	10	185 10 0	...	...	...	...	...	...	29	1,019 0 0	...	...	30	631 6 0	...	...	20	28 0 0	61	201 7 0	5	7 8 0
Total ...	143	6,268 8 0	5	60 13	28	103 1 0	3	28 9 0	244	25,767 11 0	16	87 4 0	92	2,439 4 0	11	519 6 0	60	101 12 0	268	3,275 10 0	38	70 0 0